THE TIMES

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BUDGET POINTS

Allowances up, no income tax change

There will be no rise in income tax "in the foreseeable future". The single person's tax allowance is to be increased from £1,785 to £2,005 and the married man's allowance goes up from £2,795 to £3,155. The single age allowance is increased from £2,360 to £2,490 and the married age allowance from £3,775 to £3,955.

Forecast of inflation 4½%, growth 3%

Inflation is expected to fall to 4½ per cent by early 1985. Growth is expected to be 3 per cent this year. Government borrowing in the coming financial year will be £7250m. The Government's economic policy continues to rest on its medium-term financial strategy, which is being extended.

NI surcharge abolished

The Chancellor said he was abolishing the 1 per cent national insurance surcharge from October, reducing private sector employers' cost by almost £350m in 1984-85 and more than £850m in a full year.

Car tax rises to £90 today

Excise duty for cars and light vans rises today from £85 to £90: heavier lorries will pay higher taxes and lighter lorries lower taxes to reflect road wear and tear; no Vat or car tax to be charged on family cars designed for the disabled.

Aid for share incentives

There will be more generous treatment of share incentive schemes, with the profits made by employees generally not counting for income tax.

Company car scales up 10%

Mr Lawson announced an increase of 10 per cent in company car and car fuel scales from 1985.

Stamp duty on shares halved

Stamp duty on share deals is halved to 1 per cent immediately and a new flat rate 1 per cent stamp duty is imposed on land and buildings. The tax threshold goes up by £5,000 to £30,000.

Life assurance relief to go

The Chancellor said he was withdrawing relief on new life assurance contracts made after yesterday. Existing policies will not be affected.

Allowances for firms changed

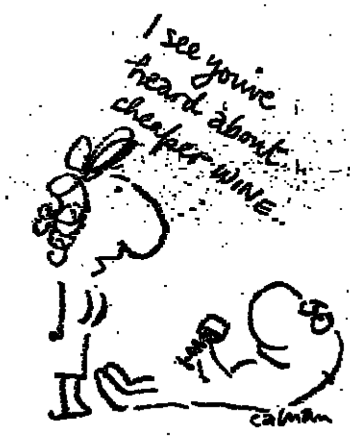
Capital allowances for industry are to be restructured in three annual stages, for plant and machinery, with first-year allowances reduced immediately from 100 per cent to 75 per cent for all such expenditure.

Takeaway food to suffer VAT

Value-added tax will be charged on takeaway food, on house repairs and building improvements.

Wine cut 18p

Duty on table wine is reduced by the equivalent of about 18p a bottle but sparkling wine, fortified wine and spirits will cost about 10p a bottle more from midnight. Beer will be 2p a pint dearer and a pint of cider will cost an extra 3p. The increase in beer prices is "the minimum amount needed to comply" with the recent judgment of the European Court in Strasbourg.



Help for small companies

The small companies' rate of corporation tax is to be reduced immediately from 38 per cent to 30 per cent for profits in 1983-84 and thereafter.

Foreigners to lose relief

Tax relief on the pay of foreigners working in the United Kingdom is to be phased out; there is no relief for newcomers from yesterday.

Corporation tax cut to 50%

Rates of corporation tax will be cut from 52 per cent to 50 per cent this year, then further reduced to 45 per cent in 1984-85 and down to 40 per cent in 1985-86 enabling the main rate to be 35 per cent in 1986-87.

Capital transfer

The highest rate of capital transfer tax will drop from 75 per cent to 60 per cent. The Finance Bill will double the limit for capital gains tax retierement relief to £100,000 back dated to April last year.

Shift in rate

Equal treatment between banks and building societies to be achieved "not by removing the composite rate from the societies but by extending it to the banks and other licenced deposit takers", the Chancellor said.

Price of petrol up by 4½p

Petrol and Derv prices to be increased at the pumps by 4½p and 3½p respectively; no increase in duty on heavy fuel oil; excise duty on kerosene to be abolished.

Calke Abbey is rescued

Calke Abbey, near Derby, has been saved for the nation by the Budget. The Chancellor announced an unspecified increase for the National Heritage Memorial Fund with the abbey's rescue in mind.

Investment charge goes

The investment income surcharge of 15% per cent will be abolished from April 1. The cost this year will be £25m, building up to £350m in a full year.

Cigarettes rise

Mr Lawson increased the duty on cigarettes by 10p for a packet of 20 and announced similar rises for cigars and hand-rolling tobacco. But there was no increase on pipe tobacco.

VAT change

VAT payments for importers and exporters are to be brought into line with the EEC which will allow British importers to defer their VAT payments by one month.

Chancellor starts sweeping shake-up

Lawson launch-pad for reform

By Frances Williams, Economics Correspondent

Mr Nigel Lawson, Chancellor of the Exchequer, seized the opportunity of his first Budget yesterday to imprint his personal stamp firmly on government economic policy as far ahead as the next election.

He has launched the most sweeping shake-up of the tax system for more than a decade, a move which dramatically alters the balance of taxation for families, savers and businesses. And he has reinforced the Government's commitment to eventual price stabilityy with a revamped financial strategy designed to reduce inflation to 3 per cent by 1988-89.

Announcing a substantial cut in income tax for the coming year, the Chancellor held out the prospect of more reductions next year and in subsequent years, provided public spending was held in check.

Within the confines of a broadly neutral Budget for the coming year, which leaves total revenues little changed, Mr Lawson has boldly redistributed the tax burden between groups of taxpayers.

A 12.5 per cent increase in the basic income tax threshold, 7 per cent more than necessary to compensate for inflation, has been largely financed by extending value-added tax to building alterations and hot take-away food and raising excise duties on drink, tobacco, petrol and vehicle licences. Most duties have risen in line with inflation but cigarettes have been taxed more heavily and the duty on wine has been cut to comply with an EEC ruling.

Mr Lawson emphasized the help the higher tax thresholds would give the low-paid, 850,000 of whom would be taken out of the tax net. He said the switch from income to spending taxes would improve incentives and increase freedom of choice.

For savers Mr Lawson has abolished the surcharge on substantial investment incomes and reduced stamp duty on share deals and home sales. Against this, he has, as widely predicted, abolished tax relief on life insurance policies taken out from today.

He confirmed that from 1985-86 banks would be required to deduct income tax at source from interest payments to personal customers to put them on the same footing as building societies.

His was a Budget "for jobs and enterprise", Mr Lawson declared.



The Chancellor and his wife leaving Downing Street for the House. More photographs, back page.

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Increase in tax allowances

A 12 per cent Budget increase in personal tax allowance raises the single person's allowance from £1,785 to £2,005 in 1984/85. For a married man the allowance rised from £2,795 to £3,155 for the coming tax year (Lorna Bourke writes).

The age allowance is going up from £2,360 to £2,490 for a single person with the married age allowance rising from £3,755 to £3,955. The threshold above which age allownce starts to be clawed back has been raised from £7,600 to £8,100.

Hither rate tax thresholds have been increased by the rate of inflation only just over 5 per cent.

The differntial between allowance rises and higher thresholds has the effect of giving more cash to the lower paid at the expense of higher rate taxpayers.

Farming out of scheme

From today farming ceases to be treated as a qualifying trade under the business expansion scheme.

MARRIED COUPLE, NONWORKING WIFE, £30,000 MORTGAGE

	Annual Income £20,000 1983/84 £	£20,000 1984/85 £	£30,000 1983/84 £	£30,000 1984/85 £	£40,000 1983/84 £	£40,000 1984/85 £
INCOME	20,000	20,000	30,000	30,000	40,000	40,000
Less tax allowances	2,795	3,155	2,795	3,155	2,795	3,155
Mortgage interest relief*	3,375	3,375	3,375	3,375	3,375	3,375
Taxable income	13,830	13,470	23,830	23,470	33,830	33,470
Tax payable	4,149	4,041	8,505	8,130	13,751	13,273
N.I. contributions	1,100	1,170	1,100	1,170	1,100	1,170
TOTAL NET INCOME	14,751	14,789	20,395	20,700	25,149	25,557

*Mortgage interest is calculated at 11.25 per cent.

SINGLE PERSON, £15,000 MORTGAGE

	Annual Income £6,000 1983/84 £	£6,000 1984/85 £	£10,000 1983/84 £	£10,000 1984/85 £	£15,000 1983/84 £	£15,000 1984/85 £
INCOME	6,000	6,000	10,000	10,000	15,000	15,000
Less tax allowance	1,785	2,005	1,785	2,005	1,785	2,005
Mortgage interest relief*	1,687	1,687	1,687	1,687	1,687	1,687
Taxable income	2,528	2,308	6,528	6,308	11,528	11,308
Tax payable	758	692	1,958	1,892	3,458	3,392
N.I. contributions	540	540	900	900	1,100	1,170
TOTAL NET INCOME	4,702	4,768	7,142	7,208	10,442	10,438

*Mortgage interest calculated at 11.25 per cent.

COUPLE OVER 65, NO MORTGAGE, £2,500 INVESTMENT INCOME

	Annual Income £7,500 1983/84 £	£7,500 1984/85 £	£10,000 1983/84 £	£10,000 1984/85 £	£15,000 1983/84 £	£15,000 1984/85 £
INCOME	7,500	7,500	10,000	10,000	15,000	15,000
Less Age allowance*	3,755	3,955	2,795	9,155	2,795	3,155
Taxable income	3,745	3,545	7,205	6,845	12,205	11,845
Tax payable	1,123	1,063	2,161	2,053	3,661	3,553
TOTAL NET INCOME	6,377	6,437	7,839	7,947	11,339	11,447

*This is reduced by £2 for every £3 of income over £7,600 (1983/84) £8,100 (1984/85) down to married man's relief level.

SINGLE PARENT WITH THREE CHILDREN, £10,000 MORTGAGE

	Annual Income £6,000 1983/84 £	£6,000 1984/85 £	£10,000 1983/84 £	£10,000 1984/85 £	£15,000 1983/84 £	£15,000 1984/85 £
INCOME	6,000	6,000	10,000	10,000	15,000	15,000
Less tax allowance	2,795	3,155	2,795	3,155	2,795	3,155
Mortgage interest relief	1,125	1,125	1,125	1,125	1,125	1,125
Taxable income*	2,080	1,720	6,080	5,720	11,080	10,720
Tax payable	624	516	1,824	1,716	3,324	3,216
N.I. contributions*	540	540	900	900	1,100	1,170
NET INCOME	4,836	4,944	7,276	7,384	10,576	10,614
Plus child benefit	1,149	1,149	1,149	1,149	1,149	1,149
TOTAL INCOME	5,985	6,093	8,425	8,533	11,725	11,763

*These figures could be lower/higher if part of the income is maintenance payments.

PERSONAL TAX ALLOWANCES

	'83-84	'84-85
Single person	1,785	2,005
Married man	2,795	3,155
Wife's earned income allowance	1,785*	2,005*
Additional personal allowance (single parents)	1,010	1,150
Dependant relative	100	100
Blind person's allowance		
single person	360	360
couple (both blind)	720	720
Age allowance (age 65 or over)		
single	2,360	2,490
married	3,755	3,955

*this is the maximum.
Age allowance is reduced down to personal allowence levels by £2 for every £3 of excess income over £7,600 in 1983/84 and £8,100 in 1984/5.

HIGHER RATE INCOME TAX THRESHOLDS

1983-84 Taxable income	Rate	1984-85 Taxable income	Rate
0 - £14,600	30%	0 - £15,400	30%
£14,601 to £17,200	40%	£15,401 to £18,200	40%
£17,201 to £21,800	45%	£18,201 to £23,100	45%
£21,801 to £28,900	50%	£23,101 to £30,600	50%
£28,901 to £36,000	55%	£30,601 to £38,100	55%
Over £36,000	60%	Over £38,100	60%

Investment income surcharge of 15% on investment income in excess of £7,100. 1983-84

Investment income surcharge abolished 1984-85

Savers face a different future

By Lorna Bourke

Savers face a very different future, with stamp duty concessions and abolition of investment income surcharge being paid for in part by the removal overnight of tax relief on life assurance premiums.

Stamp duty on share transactions is to be cut immediately from 2 to 1 per cent.

The Stock Exchange has long complained of losing business to other markets because of the high cost of transactions in London.

Investment income surcharge has been abolished from 1984/85, at a cost of £390m in a full year, releasing thousands of elderly people from this 15 per cent surcharge on investment income over £7,100 a year.

The real shock was the removal of a 15 per cent tax discount on life assurance premiums. This had been widely predicted

Existing policyholders are, however, unaffected

Perhaps the biggest surprise was the decision not to cut the 8.26 per cent tax free National Savings certificates and the 11 per cent return on National Savings Bank investment accounts.

The Chancellor has therefore limited any possible mortgage rate cut.

Corporation tax rate to be cut

By Ian Griffiths

The Chancellor's Budge[t] theme of tax reform has had [a] big impact on corporate tax[-]ation, with sweeping changes [to] reduce the basic rate to 35 pe[r] cent by 1986.

Mr Nigel Lawson said: "Th[e] current rates of corporation ta[x] are far too high, penalizin[g] profit and success, and bluntin[g] the cutting edge of enterpris[e]. They are the product of to[o] many special reliefs, indiscrim[i]nately applied and of diminis[h]ing relevance to the conditio[ns] of today."

He has therefore abolishe[d] stock relief and will phase o[ut] first year capital allowances o[n] plant, machinery and building[s].

The aim is to reduce th[e] amount of corporation tax whic[h] companies pay and discoura[ge] investment in assets which a[re] unprofitable and have favoured capital rather than labour. Th[e] Government is keen to encou[r]age a climate where corpora[te] finance is obtained from equi[ty] rather than borrowings.

Corporation tax will be c[ut] from 52 to 50 per cent for th[e] financial year 1983 and will b[e] reduced by instalments to 3[5] per cent in 1986.

The abolition of first-yea[r] allowances for investment i[n] machinery will have the bigge[st] short-term impact.

Coal board goes to court to stop picketing

By Paul Routledge and Barrie Clement

The National Coal Board is taking legal action against the National Union of Mineworkers to halt unlawful secondary picketing that closed three more pits in Nottinghamshire and Derbyshire yesterday as the strike over job cutbacks continued to engulf the industry.

The coal board will today ask the High Court in London for an injunction under the Employment Act, 1980, restraining Yorkshire miners' leaders from encouraging their 56,000 striking members to "picket out" mines where the men are due to ballot on industrial action later this week.

After considering evidence from the picket lines yesterday, coal board lawyers decided to act "in the interests of the safety of men who want to work". They will cite statements by Mr Jack Taylor, the union's Yorkshire area president, in which he said: "The gloves are off now".

Withdrawing an earlier appeal to striking Yorkshire pitmen to stay at home, Mr Taylor said: "Our members who have already shown their mettle through 19 weeks of the overtime ban and their united and disciplined strike action will once again rise to the challenge. We will step up our campaign in the same organized and disciplined way we have conducted the dispute so far."



Mr MacGregor (left) and Mr Scargill

Pickets, understood to be drawn chiefly from the militant Markham Main colliery near Doncaster, arrived in force to prevent men from working at Harworth, Cresswell, and Bevercotes mines in north Nottinghamshire, and Whitwell in north Derbyshire, yesterday. Many more are expected today ahead of crucial ballots in the Midlands.

Mr Taylor said that Mr Ian MacGregor, the Coal Board chairman, was not used to dealing with miners and would find that he had "bitten off more than he can chew on this occasion". The technique of "flying pickets" was perfected in Yorkshire under Mr Arthur Scargill, before he became the union's national president.

In his presidential address to the union's policy-making conference in Perth last year, Mr Scargill predicted: "A fight-back against this Government's policies will take place outside rather than inside Parliament". He also said the union was pledged to militant resistance against the application of the 1980 and 1982 Employment Acts "including the use of industrial action".

The stage is therefore set for the most critical confrontation yet seen over the Government's labour laws.

Yorkshire miners, whose secondary picketing closed

Continued on back page, col 5

Thatcher clash prompted resignation of property chief

By Peter Hennessy and John Witherow

A heated argument between the Prime Minister and Mr Montague Alfred at a private meeting in No 10 last month contributed significantly to his resigning as chief executive of the Property Services Agency nine months before his contract expired.

Mr Alfred's resignation was announced on Monday after a meeting with Mr Patrick Jenkin, Secretary of State for the Environment. Mr Alfred, a former chairman of the British Printing Corporation, was recruited from outside the Civil Service two years ago to reorganize the agency along more commercial lines.

He has encountered fierce resistance to his idea that the agency's work for civil ministries should be separated from those of the Ministry of Defence. The issue came to a head at a meeting of the Prime Minister's ad hoc committee on the agency's future, when Mr Alfred tried to interrupt Mrs Thatcher during her summing up and was rebuffed.

The group, which includes Mr Michael Heseltine, Secretary of State for Defence, Mr Jenkin, and Mr Nigel Lawson, Chancellor of the Exchequer, commissioned Sir Robert Armstrong, Secretary of the Cabinet, to produce an alternative plan. A final decision on the agency's future will be taken at the end of the month.

As an insider put it yesterday: "His departure came as no surprise. If you alienate each and every audience you are playing to your immediate colleagues, the other permanent secretaries, the Cabinet Office and then the Prime Minister, it is bound to happen".

The runners for the succession include Mr Peter Harrop, second permanent secretary at the Department of the Environment; Mr John Delafons, a deputy secretary in the department; and Mr Geoffrey Chipperfield, Mr Alfred's deputy at the agency.

The agency was critized by MP's after a series of fraud and corruption cases between 1976 and 1982, led to the dismissal of 61 employees.

There was also a fierce internal dispute last year between Mr Alfred and Mr Chipperfield, who described his superior's plans as inappropriate, irrelevant and based on a superficial analogy with the private property sector.

Mr Alfred was appointed by Mr Heseltine, when he was Secretary of State for Environment. His particular brief was to reorganize management of the agency, which handles £10bn worth of goverment property and employs 30,000 civil servants.

Mr Alfred's efforts aroused opposition within the agency and frm some of its clients,

Trident bill rises 16% as pound declines

By Anthony Bevins, Political Correspondent

The cost of the Trident nuclear deterrent system has increased to £8,729m, a rise of more than 16 per cent on last year's estimate, it was announced in the Commons yesterday.

Mr Michael Heseltine, Secretary of State for Defence, said that the estimate had been presented to the Commons select committee for defence and public accounts which are to investigate the project.

But he told Dr David Owen, leader of the Social Democratic Party, that the latest calculation was based on the June 1983 exchange rate of 1.53 dollars to the pound. Since then, the pound has fallen another 5 per cent against the dollar, which would add a further £196m to the estimate.

Last year's *Statement on the Defence Estimates* the Trident cost at £7,500m an average 82-83 prices and rates, with about 45 per cent to be spent in the United States.

However, a recent report from Sir Gordon Downey, Comptroller and Auditor General quoted a ministry document of February, 1983, still working on September, 1981 prices and rates, which gave a cost estimate of £6,987m – 25 per cent lower than yesterday's figure. Sir Gordon also suggested that only 40 per cent would be spent in the United States.

Mr Denzil Davies, Labour spokesman on defence yesterday urged the minister to cancel "*this extravagant and irrelevent* status symbol and totem pole".



Fishing for bargains: Potential buyers studying the lots at yesterday's auction at the Hampshire College of Agriculture. (Photograph: John Manning).

Anti-terror squad holds 8 Libyans

By Stewart Tendler, Crime Reporter

Eight Libyans were held by Scotland Yard's anti-terrorist squad yesterday as investigations continued into the bombings of Libyan targets in London and Manchester since Saturday.

Manchester police confirmed they were questioning several Libyans.

The Libyan People's Bureau said that police were holding 22 Libyans and an official visiting Britain was stopped from leaving Heathrow airport on Monday. The man was still in London yesterday.

On Monday two Libyan officials complained to the Foreign Office about the detention of Libyan nationals and demanded consular access to them.

The Foreign Office said yesterday that access would be arranged to any Libyans being held, but referred questions about anyone stopped from leaving Britain to the Home Office. The Home Office confirmed that a Libyan was detained by the police as he was about to leave Britain.

Police sources confirmed that a man was held as he tried to leave Britain yesterday. The man was described as a student. He was stopped with an official from the bureau, who was not held.

Libyans are thought to be held in Manchester. The Manchester police have said that there may be developments after their investigation, which began with the discovery of two bombs on Sunday.

Six bombs were planted in London.

A device was discovered in the Omar Khyyam restaurant in Regents' Street on Monday night. It is thought to have been left on Saturday night when other devices were planted, but it failed to explode.

A statement issued in Tripoli, (the capital of Libya), on Monday described the people being held as tourists, students and people seeking medical treatment. The police were accused of "storming and searching" the office of Bureau employee.

Since the bombings began last weekend, after a warning to Libyan exiles from Scotland Yard of possible attacks, the Gaddafi regime has denied involvement, accusing Britain of protecting Libyan fugitives from justice and talking off the effect on relations between the two countries.

When the Yard warning was issued there was little response from Tripoli. The warning is uderstood to have been based on intelligence, partly supplied by the Foreign Office.

Farm worker killed in IRA campaign of border terror

From Richard Ford, Belfast

The Provisional IRA shot dead a former member of the Ulster Defence Regiment yesterday in spite of increased covert operations throughout Northern Ireland, which are concentrating on vulnerable border areas.

Mr Ronald Funston aged 28, who left the UDR eight years ago, was shot by two men as he drove a tractor on the family farm near Pettigoe, near the co Fermanagh, co Donegal border. His attackers fled half a mile across open fields to the Irish Republic as he lay dying in his mother's arms.

It was the fifth murder in 12 days, and it came within hours of a Royal Ulster Constabulary warning that terrorist killings were part of a plot to drive Protestants to retaliate against Roman Catholics.

Mr Funston was considered a "soft" target for the terrorists because he worked in isolated country near the border with the Republic.

His death was condemned by politicians and clergymen. Mr Kenneth Maginnis, Official Unionist Party MP for Fermanagh, South Tyrone, claimed that one of the nineteen men still free after the Maze prison escape, was living in the Republic "very actively planning the murder of Protestants".

Mr James Prior, Secretary of State for Northan Ireland, said that a recent review of security policy had led to several changes. He added: "There are more covert operations going on in the border area and in other areas".

But the security forces believe the Provisional IRA intends to increase its activities in the weeks leading to Easter and the European elections, showing that concentration of political activity would not mean the end of the "military" side of their strategy.

The killing of people in border areas has a much greater destabilizing effect than incidents elsewhere because it increases fears among Protestants who think that the terrorists are trying to drive them from their homes and land.

The Rev Gordon Roycroft, Mr Funston's minister said of the latest victim "His only crime was being a Protestant. It is obvious they want to drive the Funstons away as they are trying to move other Protestants away."

● Seven men, including Mr Gerry Adams, the Provisional Sinn Fein MP for West Belfast, appeared in court yesterday, accused of offences after a dispute over the flying of the Irish tricolour from a car during a election cavalcade.

Mr Adams is accused of obstructing the police who wanted the flag removed to prevent a breach of the peace.

The defendants deny offences including disorderly behaviour, obstruction and conducting an illegal march. The case at Belfast Magistrates' Court continues today.

Radio report looks to middle of the road

By David Hewson, Arts Correspondent

The expansion of local radio services during the peak audience hours should be the BBC's main radio priority in the 1990s, according to a study group report published by the corporation yesterday.

The report, on future patterns of local and regional radio, recommends that Radio 2's specialist music output should be transferred to local stations, leaving the station to consolidate its position as a middle-of-the-road network.

The findings, by a group of BBC officials known as the Nineties Study Group, make no other direct recommendations about the standing of the national networks, but the statistics they reveal are unlikely to encourage the prospect of further expansion of Radio 3 or the evening output of any of the stations.

The corporation's audience figures, which are not usually published, show that Radio 3's total daily audience throughout Britain is now down to 500,000. After 7pm, all radio stations, BBC and others, account for only 5.7 per cent of their potential audience. Such programmes as *Friday Night is Music Night* and *Any Questions*, attract only 420,000 and 50,000 listeners respectively.

"Clearly the balance of expenditure should always be towards the daytime broadcasting and any extension of hours must be achieved as cost-effectively as possible", the report says.

The report documents the lack of success of BBC local radio in London, Manchester, and Birmingham. Only 3.3 per cent of the population aged over 16 in London listens to BBC local radion, 4.6 per cent in Manchester, and 2.2 per cent in the West Midlands. By comparison, Capital Radio attracts a London audience of 14.1 per cent, Radio Piccadilly in Manchester 14.3 per cent, and BRMB in Birmingham 10.9 per cent.

Radio 2's 14 hours of specialist music a week, including jazz, folk, and brass bands, and light entertainment would move to local radio.

BBC RADIO NETWORK COST AND AUDIENCE

	Cost per annum (to March 1984)	Average daily audience (millions)
Radio 1	£14m	7.1
Radio 2	£29m	5.7m
Radio 3	£28m	.5
Radio 4	£38m	4.45

Advertising body upholds CND missiles claim

The Advertising Standards Authority, which usually declines to rule on matters of political controversy, has upheld a claim by the Campaign for Nuclear Disarmament that "25 million electors oppose cruise missile deployment now".

A member of the public complained about the statistic, based on a poll of 999 adults, and questioned the ethics of using a limited sample in a advertisement to represent the entire population.

In its decision published today, the authority rules that the CND's statistical method and presentation were acceptable, "although it would generally be subject to some degree of error". The figures quoted would have "produced a level of opposition of between 23.1 and 26.4 million".

Fishermen's world of a £460 reel and a £50 roach

By Stewart Tendler

A rare fly fishing reel dating from 1912 fetched £460 during one of the country's largest auctions of fishing tackle near Winchester, Hampshire, yesterday.

The 500 lots ranged from the sublime, in the shape of rods by some of the best-known British makers, to the more mundane, such as pairs of waders and boxes of assorted items.

The rods included examples of almost every material used by manufacturers in the past century from split cane and greenheart to today's carbon fibre.

The star of the auction was a reel, designed to a specification by a M Bouglé of the Fly Fishers Club, and produced in a limited number by Hardy's. M Bouglé intended that it should be both light and hold a large amount of line.

In the event it became a collector's item and the auctioneers had forecast that it would make £200 to £300, in spite of a missing screw. It was sold after brisk bidding to an anonymous buyer.

Rods drew much lower bids but several split cane rods by famous makers raised £70 each. Seventeen assorted boxes of flies in one lot went for £60, and a second collection of 400 flies also drew £60.

Briton back from Saudi jail ordeal

Mr Keith Carmichael, a British businessman, flew home to freedom yesterday after spending two-and-a-half years in a Saudi Arabian jail and went immediately to the Middlesex Hospital, London, for treatment on a fractured spine.

Mr Carmichael, aged 49, who was jailed without trial amid allegations that a business venture owed nearly £1m, arrived at Heathrow airport from Riyadh and was take from his flight in a wheelchair.

The former Scotts Guards officer was arrested in October 1981 as he tried to flee into neighbouring Qatar and was presented with claims totalling £904,490 from 19 organizations and individuals.

During a drive to hospital for treatment on a swollen knee after 95 days interrogation Mr Carmicahel says he was in handcuffs and fettered to other prisoners. He said that he was bumped along in such a way that his spine was fractured.

Mr Carmichael sent letters all over the world including one to President Reagan, appealing for help.

His case was taken up 41 times by the Foreign Office and he staged a hunger strike. He said: "My weight went down to ten stone from thirteen-and-a-half stone."

Mr Carmichael said he would go into more detail about his ordeal after receiving hospital treatment.

Conveyance by computer costs less

Cheaper legal costs were heralded yesterday with the launching of a computer system designed to make solicitors more efficient at conveyancing (Our Legal Affairs Correspondent writes).

Produced by Automatic Information Management, the system can handle 1,000 conveyancing cases at a time, keeping progress files on each which summarize action taken to date and replies received.

Each day the system will tell the solicitor what files require attention: it will estimate dates for events such as completion and it will calculate charges for an itemized client's account. In its word-processing capacity it will also produce all standard letters and documents.

Mr Anthony Sacker, a London solicitor who has helped to design the system, said: "It frees the solicitor to spend more time on what he ought to be doing such as talking to the client, rather than on mechanical, repetitive things. It also eliminates the oversights that bedevil us all when we try to do too much business under pressure."

Overseas selling prices
Austria Sch 29; Belgium B frs 50; Canada $2.75; Canaries Pes 170; Cyprus 660 mils; Denmark Dkr 8.50; Finland Mkk 8.00; France Frs 7.00; Germany DM 3.50; Greece Dr 100; Holland Gl 3.40; Irish Republic 40p; Italy L 2200; Luxembourg Lf 38; Madeira Esc 125; Morocco Dir 8.00; Norway Kr 8.50; Pakistan Rps 18; Portugal Esc 125; Singapore $6.60; Spain Pes 170; Sweden Skr 8.00; Switzerland S Frs 3.00; Tunisia Din 0.700; USA $1.75; Yugoslavia Din 100

Observer directors' fears

Fears over the future of the five independent directors of *The Observer* rose yesterday amid disclosures of an erosion of their role (Michael Horsnell writes).

The directors, elected in accordance with the requirements of the Secretary of State for Trade after the Lonrho purchase of the newspaper in 1981, have had their monthly meetings cut to four a year and they have been asked to take a reduction in pay from £4,000 a year to £1,000.

Mr Paul Spicer, a director of Lonrho, headed by Mr Roland (Tiny) Rowland refused to comment on the future of the directors except to say: "Perhaps they found four meetings a year adequate."

The five are: Mr William Clark, Sir Geoffrey Cox, Sir Derek Mitchell, Dame Rosemary Murray and Lord Windlesham.

Mr Tiny Rowland.

The education lottery: 3

History: Learning facts or judging ideas

Sir Keith Joseph, Secretary of State for Education and Science, said recently that an element of national history should be part of every pupil's education up to the age of 16. After an intensive series of visits to schools in different parts of the country, LUCY HODGES, our education correspondent, reports on the teaching of history.

Is history being squeezed out of the school curriculum, in primaries by "topic work" and in secondaries by the popularity of courses in such subjects as computers? If not, are children still learning the dates of kings and queens?

Two comprehensives I visited in Gateshead were introducing children to the Schools Council history project, developed during the 1970s at Leeds University, which involves learning historical methods and processes rather than facts. Children piece together a story from bits of evidence, thus learning that there is not one correct answer to what happened but different interpretations.

Thirty children in the first year at Whickham school in Gateshead were studying Sutton Hoo: the Mystery of the Burial Mound taken from *What is History?* by Jon Nichol. Mr Nick Cowie, the teacher, conducted a fast and vigorous discussion about why, for example, no body was found in the remains of the ship.

"It was stolen", one hazarded. "They forgot about it", another suggested. "It rotted", a third said. "It could have drowned?" The children were keen and attentive.

Cyclostyled sheets were handed round listing some of the objects found in the grave. Discussion ensued with Mr Cowie emphasizing the tentative nature of some of the evidence.

The Schools Council project is being used on a much bigger scale at Heworth Grange School in Gateshead where it has been in use for two years on a course up to CSE and O level. A third year group of 25 pupils aged 13 and 14 was being introduced to its methodology although the rest of the term they were studying the Industrial Revolution with Gateshead-produced material.

They were doing an exercise in pure detective work and working out how a young man had met his death in a ditch on the A2. Their evidence lay in an envelope, marked "The mystery of Mark Pullen", inside which were, for example, a Kent University rugby club membership card, a note about making his way to a party and a police constable's report.

I was informed that the next lesson the children would write a story of what they thought happened to the man. The history teachers said that the children much preferred this course because they saw the sense to it. They were now opting for history in the fourth year.

Sixth form history, by contrast, is still taught in conventional ways. At Heworth Grange a group of six were being told how to write an essay on why the Dreyfus affair had given rise to so much controversy.

The subject was traditional at Whitemere primary in Gateshead. Miss Nancy Simpson, the head, said that history had to be taught chronologically, starting with the Stone, Bronze and Iron Ages, the Ancient Britons, Romans and Danes for the seven to eight-year-olds in the first year and ending with Georgian England to the present day for the fourth year.

At Litcham High School in Norfolk first years were learning about the Romans with Mrs Utting who was talking to them about how the people lived. "Do you think they went to school?" she asked. No, was the reply.

Concluded

PARLIAMENT March 13 1984

Labour MPs advised to wrap up their muck raking

[O]MAN CONTRACT

[N]o particular company had been [m]entioned the Prime Minister's [vi]sit to Oman in 1979 when Mrs [Th]atcher had expressed an interest [in] British participation in all aspects [of] the university project there, Mr [Ri]chard Luce, Minister of State for [Fo]reign and Commonwealth Aff[air]s, said in the Commons.

Speaking in later stages of an all-[ni]ght sitting when there had been [se]veral debates on various topics, [co]nnected with the Consolidated [Fu]nd Bill, Mr Luce, said that it was [ten]dentious and wrong to suggest [th]at Mrs Thatcher has promoted the [in]terest of any single company while she was in Oman. Labour MPs were simply revelling in muck-raking and should "wrap it up"

He did not reply to a suggestion by Mr William Hamilton (Central Fife, Lab), that a select committee should cross-examine the Prime Minister on the matter.

Mr Hamilton, in raising the issue, said Mrs Thatcher had gone to Oman expecially to lobby for a £300m contract for the building of a new university there and that contract, in the event, had been won by Cementation Ltd, a subsidiary of Trafalgar House.

It was a strange and unexplained fact that Cementation happened to be the only company competing for the contract which was never put out to tender, as one would expect. Had that happened, other British companies would almost certainly have made bids.

That had been made more intriguing by the presence in Oman, at the same time as his mother, of Mr Mark Thatcher.

He was obviously there (he went on) with one ojbective in mind – to make sure that he got his rake-off from the contract his mother was winning for Cementation International.

Never, in all British history, (he added), had the interests of a United Kingdom Prime Minister and her family been so well served simultaneously as in the winning of this large and juicy contract.

There might have been nothing improper in the way things had happened, but, if so, why had the Prime Minister been so resentful about questions put to her by the press and MPs, notabley Mr Peter Shore, Labour shadow leader of the House?

She might feel reinforced in her posture by the report of the Select Committee on Members' Interests which had been improperly leaked, no doubt by one of her own side, in *The Times* last week. The chairman of that committee had also improperly prejudged the report, he believed before evidence was taken and certainly before the committee had prepared its report.

Mr Dale Campbell-Savours (Workington, Lab), a member of that committee, said it had not completed its deliberations, although that was what the press had been led to believe.

Mr Hamilton said it was obvious from *The Times* that the premature leak had been by a Government supporter on the committee.

However that might be, the time has come (he said), in view of the Prime Minister's cavalier attitude to this and other matters involving this House and her accountability to it, for an ad hoc select committee of the House to probe and cross-examine her in depth and at length about this specific matter.

Mr Robin Maxwell-Hyslop (Tiverton, C) said that the report of the Industry and Trade Committee on March 3 last year had emphasized that if more than one British company went for a big contract it prejudiced the chances of a British company securing it. Even Mr Hamilton had not said that the Prime Minister or any other minister should not have given full support to the one British bid.

This was a squalid personal attack on the Prime Minister, but one which dared not criicize her for doing what she did backing the one British bid for this enormous contract which would bring significant employment and revenue to Britain.

Mr Alan Williams (Swansea, West, Lab), an Opposition spokesman on trade and industry, said a clear conflict of interest emerged. On the basis of evidence so far, there appeared to arise a conflict between private interest and public duty.

Cementation was a company with a proved track record with well-known operators well versed in ways of establishing Middle East contracts, and with high level contacts. What did Mark Thatcher have to offer a company which already had those connexions?

The whole episode had been surrounded by silence and deception.

There was evidence in press reports that a conflict of interest existed in ministerial terms. Cememtation had lied, cheated and tried to mislead.

Mr Ivan Lawrence (Burton, C) said they had listened to a squalid speech made more squalid because the Opposition front bench had lent itself to vicious allegations which would only bring shame to the Labour Party.

Mr Hamilton not only raked muck but made the muck he raked and went on trying to rake it to besmirch the Prime Minister, whose integrity was a byword. If there was a shadow of decency in Mr Hamilton he would withdrew his eccentric and absurd allegations.

Mr Richard Luce, replying, said that it was astonishing that Mr Hamilton and Mr Williams should focus on one personal aspect. Their sense of priority seems astonishing, distorted and warped. The allegations had been disgraceful.

Mr Thatcher's visit to the gulf states had been the first by a British Minister to those countries which took 5½ per cent of British exports in 1982 and by rule of thumb provided 200,000 British jobs.

No less than 400 British companies had derived benefit from the Oman University contract and the Opposition should welcome that.

Mr Campbell-Savours: We do.

Mr Luce: The Prime Minister expressed an interest in British participation in all aspects of the university project but no particular firm was at any particular time mentioned, and therefore, all questions of this matter being not only of public but of private interest are totally irrelevant, because at no time did the Prime Minister promote the interest of any particular company. It is tendentious and absolutely wrong to suggest that that is what she did.

The fundamental point, therefore, is that there is no conflict between her public and private duties, because at no time did she promote a single firm. She promoted Britain's interests and more jobs, which I would have thought would have been in Labour MP's interest. They are simply revelling in muck raking.

It is not only distasteful but one of the most unattractive sides of British politics, Mr Hamilton could never say anything constructive.

The Prime Minister set the highest possible standards in public life. She was right to do so. It was widely acknowledged and she was widely respected for it.

The Prime Minister deserved the strongest congratulations on her visit. Those who sought to criticize her must re-examine her motives. He hoped that Labour MPs, particular Mr Hamilton, would realize their folly and in their own interests, now just wrap it up.

Police demand 'fairer deal' for officers facing disciplinary proceedings

By Richard Evans

A campaign to secure a fairer deal for policemen facing serious disciplinary charges, including the right to legal representation, was launched by the Police Federation yesterday.

The campaign, which will cost £60,000, coincides with the imminent discussion of the police and Criminal Evidence Bill clauses covering police complaints and discipline which the federation, in national newspaper advertisments published yesterday, says "effectively reduces every man and woman on the beat to the rank of second-class citizen".

The federation, which has 120,000 members, complains that under existing procedures an officer has a complaint dealt with internally behind closed doors, where he or she is not allowed legal representation and is subjected to hostile witnesses who are not subject to the rules of evidence which apply in courts.

"Altogether the judgment will be based on a lower standard of proof than a court would demand. Yet the penalties incurred can be savage. An officer can be dismissed, required to resign, reduced in rank or fined thousands of pounds.

"It's not that the police service are asking for favours under the law ... they merely seek equality. In a job that lays them open to more than their fair share of attacks, the police deserve the same civil rights as everyone else."

Mr Leslie Curtis, federation chairman, said yesterday that the campaign had the full backing of the Law Society, National Council for Civil Liberties, and according to an opinion poll, 82 per cent of the public.

The federation, which fears the new Bill will produce a large increase in complaints against the police, is prepared to take the issue to the European Commission on Human Rights, Mr Curtis said.

Although the right to legal representation is fiercely opposed by chief constables who handle serious disciplinary cases, Mr Leon Brittan, the Home Secretary, said last week that he hoped to meet the federation's demands, which were satisified in the previous police Bill, killed off by last year's general election.

But Mr Curtis said he had received no details after the Government's "11th hour" intervention "so it is impossible to say whether what the Home Secretary is intending would meet our demands".

Of the 1,600 disciplinary cases dealt with on average each year, the federation estimates about 400 would qualify, under its proposals, for legal representation. The cost would be about £100,000 a year, which it wants to be paid by the Government.

Mr Curtis said that the federation also wanted internal disciplinary hearings to be placed on a "firmer footing", with rules that apply in courts being introduced.

Mr Jack Kent, secretay of the federation's discipline committee, said that in many cases officers were being convicted at interanl hearings on a "lower state of proof," because the system's shortcomings.

Davey guilty of seven assaults on police

By Craig Seton

James Davey had been convicted of assaults on seven police officers over 18 years and had been sentenced to a total of more than 13 years, an inquest into his death was told yesterday.

The Coventry coroner, Mr Charles Kenderdine and jury were told of a polce plan to move Mr Davey, aged 40, from Little Park Street police station to London, where he was wanted for questioning in connexion with inquiries into a gangland murder. He was to be offered a telephone call to his mother while officers waited to take him.

Mr Davey, who had been arrested at his mother's home in Coventry, collapsed in March last year after an incident at the station. He spent 11 days in a coma at Coventry and Warwick hospital, then his life-support machine was turned off.

Inspector Wayne Arkill said they had expected a violent response from the prisoner whose solicitor said that his client would not go to London voluntarily.

They decided that a leg restraint would be necessary. They had nothing tailor-made, so officers used a nylon rope usually used to take stray dogs to kennels.

Inspector Arkill said that he heard a yell or shout from Sergeant Ian Speed, who had gone to Mr Davey's cell, followed by a scuffle and a great deal of activity from officers moving from their hidden places.

The inquest has been told that Mr Davey had been secured with two pairs of handcuffs on his wrists and the rope and a belt round his legs.

The inspector said that when Mr Davey was carried into the chargeroom and turned over he was purple black in colour, and the officers put him down. The restraints were removed.

The inquest continues today.



A granulated gold pendant head of Achelous by Carlo Giuliano is among the exhibits that have been lent to the Wartski galleries at 14 Grafton Street, London, W1. The exhibition of revivalist jewelry by Carlo and Arthur Giuliano and Alfredo Castellani, which includes works owned by the Royal Family, runs until March 27. (Photograph: Suresh Karadia).

Tomorrow

Primary education
The lessons that the US presidential candidates can learn from the results of the Super Tuesday spate of primaries.

One over the eight
Simon Barnes talks to unconventional coach Dan Topolski, who will be the toast of Oxford if he can lead the boat race crew to another victory on Saturday.

Mind-bending
Brian Inglis examines psychokinesis-art of bending metal by thought process.

Off the shelf
Books: Fay Weldon reviews *Sex and Destiny*, by Germaine Greer; also Fiona MacCarthy on *Sylvia Beach and the Lost Generation*.

Daily Mirror challenges tape order

The *Daily Mirror* yesterday asked the Court of Appeal to cancel a court order requiring it to disclose who bugged the telephone of John Francome, the champion National Hunt jockey.

It also sought to lift an injunction banning publication of the contents of tape recordings of telephone conversations.

Mr Francome, of Lambourn, Berkshire, had obtained the orders against the newspaper in the High Court last week.

He is suing Mirror Group Newspapers, Mr Mike Molloy the editor of the *Daily Mirror*, and two reporters, for damages for alleged breach of confidence and trespass. A date for the full trial of his action has yet to be fixed.

Mr Richard Hartley, QC, for Mr Francome, said the 38 tapes, spanning 20 hours, were "illegally produced by telephone tapping" over at least three months. The hearing continues.

Oxford entrance challenge

By Lucy Hodges, Education Correspondent

A radical plan for reforming Oxford and Cambridge admissions so that applicants would take a scholarship level examination at the same time as A levels has been drawn up by Hertford College, Oxford.

The move, which comes days before Oxford University holds a big conference to "explain and clarify" its new two-tier entrance system, will create maximum annoyance at a critical time. Schools are being invited to the conference this weekend partly because of concern that the new system, to begin next year, is complicated.

By implication, Hertford, one of the first colleges to admit women and relax its admission procedures, agree with the criticism. Oxford's new entrance system will operate through two modes: Mode E, whereby applicants will take a written entrance examination in the fourth term of the sixth form, or Mode N, which will rely on A level results but may be suplemented by written and oral tests.

Hertford's plan, prepared by Dr Neil Tanner, the college's admissions tutor, states: "It has become apparent that adaption and compromise will no loger satisfy our needs and over the next decade we must look towards a more radical reform".

The 400 representatives of schools invited to the conference have also been invited to a "fringe" meeting by Hertford on Friday afternoon.

They have been sent copies of the Hertford plan.

GP's computer helps benefit claimants

By Nicholas Timmins, Social Services Correspondent

A family doctor in west London has developed a computer program to assess his patients' rights to social security benefits.

If widely adopted, it could lead to many more claims. An estimated £760m a year of supplementary benefit now goes unclaimed and only half the families entitled to Family Income Supplement (FIS) claim it.

The program has been developed over about four years by Dr Brian Jarman, who became professor of general practice at St Mary's Hospital Medical School in January.

It takes on average 10 to 20 minutes to put a patient through the program, which covers about 30 benefits, including supplementary benefit and FIS, mobility and attendance allowances, housing benefit and free prescriptions.

The program is being studied by the Department of Health and Social Security, which has seconded an official to work with Dr Jarman.

Dr Jarman, who is based at the Lisson Grove Health Centre, said that he developed the program because patients were coming to see him with stress-related illnesses. "A proportion of them were under stress purely because they were hard up – single parents, some of the elderly, people like that".

He was unable to remember the complex rules covering benefits to which they might be entitled, and a computer program seemed the obvious answer.

Often the sums are small – an extra 50p for laundry or £2 a week heating allowance. But for people on low incomes such sums make an appreciable difference. In some cases families in work have not realized they can claim Family Income Supplement and have received an extra £25 a week.

At present the program runs on a £2,700 Hewlett Packard computer, but Dr Jarman says he hopes to rewrite it for the new Sinclair QL.

The program offers the advantage that an individual's right to benefit can be assessed in one place, without the need to contact separate social security and local authority offices.

Two other practices in Liverpool and Kentish Town, London, are considering adopting the system, but Dr Jarman says his hope is that the DHSS will adopt it.

Chemists' drug sales warning

The risks and benefits of allowing increasing varieties of more potent drugs to be sold by pharmacists should be monitored, the *Drug and Therapeutics Bulletin* said yesterday (Our Social Services Correspondent writes).

Ibuprofen, A painkiller, and loperamide, used to treat acute diarhoea, have been removed recently from the prescription-only category by the government and released for sale under a chemist's supervision.

Other drugs are likely to follow, the bulletin says. Those could include painkillers, some low-potency creams for treating eczema, dermatitis and other skin dissorders, and drugs to treat stomach cramps and painful periods.

The policy should encourage people to care for their minor ailments and save their own doctors' time, the key attraction for the government.

But patients may not consider drugs bought over the counter worth mentioning to their doctor, the bulletin says, and they may put themselves at risk of unforeseen drug interactions.

Ibuprofen, for example, should not be taken by patients allergic to aspirin.

Complaint over RSPCA inquiry by Mail rejected

A newspaper was justified in launching an investigation into the affairs of the Royal Society for the Prevention of Cruelty to Animals which amounted to a campaign, the Press Council said yesterday.

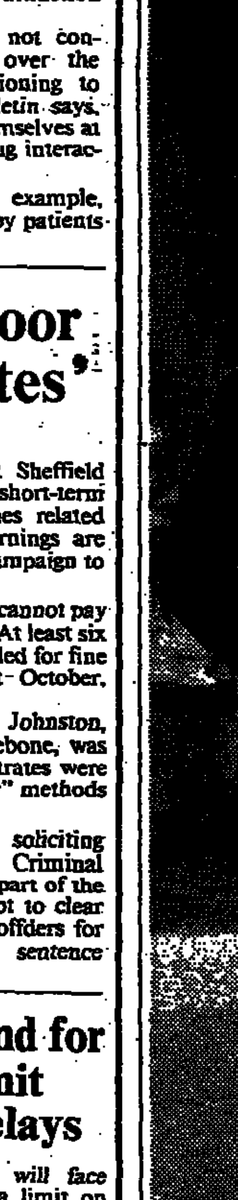
The investigation exposed many serious issues to which it was reasonable to draw public attention, it said.

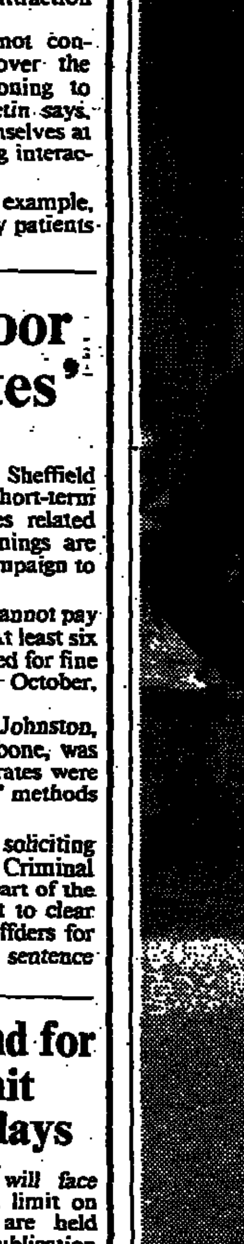
The council rejected a complaint that the *Daily Mail* conducted a sustained campaign against the society, employing the deliberate use of inaccuracy, omission and innuendo to create an overall impression of imcompetence, corruption and lack of humanity.

The complaints concerned a series of articles published in 1980 and 1981.

Courts using 'back door ways to jail prostitutes'

By Our Legal Affairs Correspondent





A Labour MP has protested to the Lord Chancellor about claims that magistrates are trying to circumvent the law which prevents them jailing prostitutes for soliciting.

Mr Clive Soley, MP for Hammersmith North, has taken up complaints by probation officers at Marylebone Magistrates' Court that prostitutes are ending up in prison because they cannot pay the large sums in which they are bound over to be of good behaviour or asked for as a surety.

He said that it was unacceptable if large fines were deliberately being imposed as a means of imprisoning prostitutes.

Similar complaints have been made by the National Association of Probation Officers about magistrates at Sheffield where, as a new, short-term expedient, heavy fines related to, a prostitute's earnings are being imposed in a campaign to clear the streets.

Where the women cannot pay they are imprisoned. At least six women have been jailed for fine defaulting since last October, the association says.

But Mr William Johnston, chief clerk at Marylebone, was emphatic that magistrates were not using "back door" methods of jailing prostitutes.

Imprisonment for soliciting was ended by the Criminal Justice Act, 1982, as part of the Government's attempt to clear the prisons of petty offders for whom a custodial sentence seemed inapropriate.

Policewoman praised as killer is jailed for life

A woman police constable, Diane Cook, was commended yesterday for standing her ground when she came face to face with an armed man in a blood-spattered bedroom.

A man's naked body covered in blood and a badly beaten woman were also in the room.

"Ordinary human nature should have prompted her to turn around and run away very fast," the Recorder of London, Sir James Miskin QC, said at the Central Criminal Court, London.

Diane Cook: Commended.

He jailed John Glynn for life after he was found guilty of murdering Mr John Perkins, aged 33, and wounding his former girl friend Mrs Margaret Fairhead.

Glynn, aged 35, of Chertsey Road, Whitton, south-west London, broke into their home in Charles Drive, Laleham, near Staines, Surrey, at dawn and stabbed Mr Perkins six times with a large carving knife as he lay in bed

WPC Cook, aged 31, who is based at Staines, persuaded Glynn to drop the knife and dealt with matters admirably, the Recorder said.

New demand for legal limit on trial delays

The Government will face demands today for a limit on the time prisoners are held before trial with the publication of a report that says these are now 1,600 such prisoners held for more than three months.

The report by the Prison Reform Trust coincides with the second reading debate on a Bill introduced by Mr Gerald Bermingham, Labour MP for St Helens South, which is aimed at preventing delays

The report says that is Scotland, where defendants cannot be held for more than 110 days, only 10 were not brought to trial within the period last year. In Engalnd and Wales, however, there is no penalty for delays and about 100 remand prisoners have been awaiting trial for more than a year.

Dr Stephen, director of the trust, said that long delays "an affront to justices", causing anxiety for victims, witnesses and defendants. He supported Mr Bermingham's Prevention of Delays Bill, which would introduce a similar deadline to that in Scotland into English law.

The report says that delays occur for reasons such as limits on court space and the number of judges complex charges needing lengthy preparation.

The Case for Trial Deadlines (Prison Reform Trust, Nuffield Ladge, Regent Park, London NW1 4RS; free).

£70,000 for Lloyd's men

Two Lloyd's underwriters won libel damages against the *Daily Telegraph* yesterday over an article which, they claimed, implied they were facing criminal charges over a £14m insurance crash

Mr Frederick Sasse, of Campden House Terrace, Kensington, west London, was awarded £37,000 and Mr Thomas Turnbull, of Stoke Lodge, Stoke Hammond, Milton Keynes, Buckinghamshire, £32,500. The newspaper was also ordered to pay costs of the High Court action, unofficially estimated at £15,000.

But Mr Justice Hirst granted the *Telegraph* a stay of execution payment of sums above £20,000 to each man, pending a possible appeal.

Anger grows in Lausanne as Gemayel stays aloof from negotiations

From Robert Fisk, Lausanne

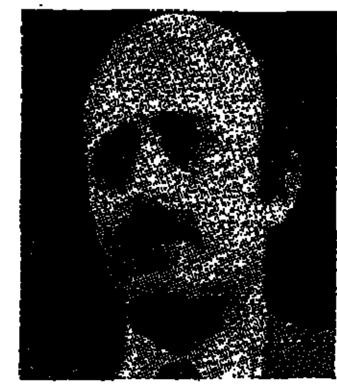
"Nuts". Mr Walid Jumblatt said yesterday when asked how the negotiations were going for a ceasefire in Beirut; for once the Druze leader appeared to be right.

The bombardments in Beirut had just killed 25 people, 14 of them children. In the elegance of the Beau Rivage Hotel in Lausanne, far from defining the new Lebanon at their reconciliation conference, the Lebanese militia leaders spent their first session yesterday morning arguing about the non-existent truce in Lebanon.

President Amin Gemayel refused to participate in the discussions, on the very doubtful grounds that he was not a party to the dispute.

Abdul Halim Khaddam, the Syrian Vice-President and Foreign Minister, had pleaded and cajoled with the Lebanese delegates earlier in the morning, insisting that Syria wanted "concrete results" and "crucial decisions" at Lausanne. He said there must be a lasting ceasefire in Lebanon. the Lebanese could not leave Switzerland without ending the tragedy of their country.

He gave unequivocal support to President Gemayel, but it had little or no effect. Mr Berri


Mr Jumblatt: "Nuts".

was reported to have sat stiffly at his conference table throughout the talks, ominously tapping on the desk in front of him a role of film, which he said contained pictures of the Lebanese Army's destuction in west Beirut.

By early afternoon the Phalange Party delegation was in almost permanent telephone contact with the Phalangist militia headquarters in an old French barracks next to Beirut port, vainly demanding that the right-wing artillerymen halt all their bombardments of west Beirut.

Mr Berri, whose Beirut home came under shellfire yesterday, claimed that his own men would observe a truce. But still the delegates – even if they could control events in Lebanon – were not able to agree on how a ceasefire should be implemented.

Mr Pierre Gemayel of the Phalange, Mr Berri, Mr Jumblatt and a senior Lebanese Army officer (whose indentity turned out to be as difficult to discover as the reason for his presence in Lausanne) agreed here that a five-man peace commission should operate in Beirut, and that they should meet not in the ruined bank buildings in Hadeth, which the British Army controlled before it left Lebanon, but near the Museum, in an area still protected by French troops.

Yet still President Gemayel refused to be associated with the truce, even when an officer in his own army became involved in the negotiations. The Phalangist militia continued to go on ignoring the pleas of their representatives in Lausanne.

Asked how the conference was progressing, Mr Jumblatt once more quoted Brigadier-General McAuliffe's response to the 1944 German demand for surrender at Bastogne. "Nuts", he said again. No one in Lausanne, it appeared, was prepared to surrender yesterday.


Lending an ear: President Reagan listening to instructions on how computers work from school children at Congress Heights primary school in Washington.

EEC farm ministers reach deal to cut milk production

From Ian Murray, Brussels

EEC farm ministers yesterday cleared a difficult but climable path to the European summit next week by reaching unexpected but essential agreements on agricultural reform. This means that the success or failure of the summit depends exclusively on whether Mrs Thatcher can wring enough money out of other member states to meet her incessant demand for a fairer deal out of the EEC budget.

Yesterday's agreements are provisional. They are precarious and could easily be overturned by the summit if that meeting goes badly wrong. But they represent the first concrete breakthrough in tackling two of the most difficult and expensive problems to beset the Community – overproduction of milk and the Green currency rates which protect farmers against exchange variations.

The agreement on milk is the more far-reaching and important. It imposes quotas on farmers of dairies and would reduce production from the projected 110 million tonnes this year to 98.2 million.

The aim is then to drop production by a futher million tonnes and to impose a maximum community production ceiling of 97.2 million tonnes over the following four years.

The farmers would quite simply be taxed out of production. Every gallon they tried to sell in excess of 1 per cent above their 1981 production would attract a levy which would make it too expensive for the farmers to market. British farmers, for example, would have to pay a tax of 60p from the 79.5p they receive for each gallon in excess of their quota.

Because the reference year was fixed as 1981, the deal means that the countries using intensive production methods – essentially Britain, Holland and Denmark – would be hit harder than those countries using more traditional methods, such as France and Belgium. This is because the intensive farming method had increased production faster.

Mr Michael Jopling, the British Minister, having hailed the deal as historic when he rose wearily from the negotiating table in the early hours, had to brave a lobby of angry British farmers, who accused him of failing to protect their interest.

He told them: "You will hate me but I believe it is right for Britain." He argued that cereal farmers too had to be prepared to accept a cut in income, following four years which had seen their profits rise by 75 per cent.

The one really difficult stumbling block on milk remains the Irish Republic, which has argued for special treatment from the beginning of the negotiations months ago. Ireland says its milk production was artificially low until it joined the Community and that it has not had time to catch up. It insists it must be allowed to increase its production by up to 40 per cent over the next five years and is threatening to veto the whole scheme unless it gets its way.

Percentage cuts in milk production necessary from April 1 in each country under terms of the provisional agreement. Greek production could increase by 6.1 per cent because its production has fallen in recent years.

France	2.95	Britain	7.32
Belgium	3.18	Holland	7.54
Italy	5.21	West Germany	7.62
Luxembourg	6.36	Ireland	13.86
Denmark	6.54	EEC total	5.3

Pretoria 'trying to bypass UN'

Namibia talks offer rebuffed

From Michael Hornsby, Johannesburg

South Africa's call for a round table regional peace conference on Namibia has met with a generally hostile reception, and it seems to stand little chance of getting off the ground in the form proposed. There is a feeling that Pretoria, carried away by its recent negotiating successes with Angola and Mozambique, may have overplayed its hand.

Both Angola and Swapo, the South-West Africa People's Organization, have rejected the conference proposal: Señor Javier Pérez De Cuéllar, the UN Secretary-General, has expressed annoyance at the lack of consultation; and even the Americans, South Africa's closest friends in the West seem to have been embarrassed by the timing and manner of Pretoria's announcement.

The main reason for this reaction is that South Africa is widely suspected of seeking to by-pass the United Nations and its long-established independence plan for Namibia, enshrined in the Security Council's Resolution 435. Instead, Pretoria wants a broader regional peace settlement hammered out in negotiations between the parties directly concerned. Pretoria's proposal makes no mention of a role for the United Nations.

The other participants in the conference, in addition to South Africa, would be Marxist MPLA Government in Angola, the Unita movement of Dr Jonas Savimbi, which is waging a civil war against the MPLA, the Multi-Party Conference (MPC) group of political parties in Namibia, and Swapo, which has been fighting for Namibia's independence from South Africa since 1966.

In a statement issued on Monday by Angop, the Angolan news agency, Angola declared that it would not sit at the same table as Unita, adding that talks on Namibia must be confined to South Africa and Swapo, and must be "held under the auspices of the Secretary-General of the United Nations and based on a search for means to implement Resolution 435". Mr Sam Nujoma, Swapo's leader, takes the same line.

The Americans agree, privately, that an accommodation between the MPLA and Unita is necessary if Resolution 435 is to be implemented because the Angolan Government will be unable to send home the estimated 25,000 Cuban troops on its soil so long as it feels threatened militarily by the South African-backed Unita. Pretoria, for its part, says there can be no independence for Namibia until the Cubans go.

Washington appears to feel, however, that the best chance of resolving the related Cuban and Unita problems lies in the delicate bilateral negotiations it has been conducting with Luanda for a year, in which the prospect of Americanm diplomatic recognition and economic aid is being used as leverage. There is concern that the premature South African move could compromise this diplomacy.

● WASHINGTON: Cuba is seriously considering withdrawing its 25,000 troops from Angola in the event of a formal agreement being reached on the independence of Namibia and a cessation of attacks by South African forces into southern Angola (Nicholas Ashford writes).

A report from Havana in yesterday's *Washington Post* quotes Cuban Vice-President, Señor Carlos Rafael Rodriguez, as conceding that the prospects for a peace settlement and a Cuban withdrawal have improved.

French farmers react with fury to new quota

From Diana Geddes, Paris

French farmers, the largest milk producers of the EEC accounting for a quarter of its total production, reacted with predictable anger to the agreement on milk quotas reached in Brussels by the Community's agricultural ministers.

M Francois Guillaume, the president of the largest federation representing French farmers, said he was "appalled". There was no question of submitting to such and agreement if the EEC did not first close the yawning gaps in the system of European preference.

He pointed out that nothing had been decided, for example, on the question of the importation into the Community of vegetable oils, which accounted for half the EEC's total consumption, nor on the importation of 80,000 tons of unwanted New Zealand butter.

He relied on the EEC summit next week "to review this artificial agreement." His words will, no doubt, be reinforced by a group of some 80 young farmers who left Paris last Friday on a "march for Europe". They are due to arrive in Brussels on the day the summit begins.

Milk is the primary source of income for more than 400,000 French farmers.

The French Communist Party described the agreement on milk quotas as totally unacceptable. "After having reduced French coal and steel production; is the Common Market to dismantle our agriculture too?" M André Lajoinie, the president of the Communist group in Parliament, asked.

● **British hostility:** The imposition of a so called "super levy" on excess milk production, although it had been expected for several months, met with a hostile reception from British farmers' representatives (John Young writes).

Sir Richard Butler, the president of the National Farmers' Union, said it was "too much, too soon" and added that it was particularly harsh on Britain. The dairy industry needed more time to adapt, and he would have preferred a three-year transitional period.

Lebanon ceasefire blocked by militia

From Our Correspondent, Beirut

Mortar and artillery shells fell sporadically on widespread residential areas of east and west Beirut yesterday, while the largest Christian militia in Lebanon appeared to be pulling away from its political leaders, who are attending the peace talks in Switzerland.

The artillery exchanges by Christian and Muslim militiamen tapered off after heavy overnight and early-morning barrages left at least 27 civilians dead and more than 115 people injured. They were the heaviest attacks on residential areas for five weeks, police said.

But an intense gun battle was reported at dusk yesterday between militiamen in the Ras el-Nabr and Barjawi neighbourhoods, which face each other across the "green line" that divides the city into Muslim and Christian sectors.

At mid-morning, four shells fell near the French-guarded Museum crossing – the only route open between the Christian and Muslim sectors of the capital – and created near-panic. Pedestrians dived for cover, and drivers rammed other vehicles in a frantic effort to get away from the traffic bottleneck.

The shelling barrages began soon after President Amin Gemayel gave his opening address on Monday night at the national reconciliation conference in the Swiss town of Lausanne.

The right-wing Christian "Lebanese Forces" militia, which had announced on Monday night that it was shelling Muslim neighbourhoods in West Beirut in retaliation for shelling on the East, yesterday blocked the reconvening of the five-man military security committee set up to police Lebanese ceasefires.

The political leaders in Lausanne – including Mr Pierre Gemayel, father of the President and head of the Christian Phalange Party, and Mr Camille Chamoun, a former Lebanese President and leader of the National Liberal Party – had asked for reactivation of the committee as part of their efforts to silence the guns here.

The two political leaders, at least on paper, are directors of the Lebanese Front Coalition, under which the Lebanese Forces operate.

But the Lebaneses Forces refused to send their delegate, saying in a statement that they had not been consulted in the Lausanne decision to call the committee into session.

The committee was set up after the September civil war here to help oversee ceasefire matters, though it has been inactive in recent weeks. Its members include a Lebanese Army officer as well as representatives from the Christian, Muslim and Druze militias.

As if to underscore further their independence, the Lebanese Forces scheduled a rally in East Beirut yesterday, at which Christian businessmen and others were asked to comment on the importance of the militia to their lives and livelihoods.

● AMMAN: Six Muslims and two Christians were elected in lower house by-elections on Monday, in the first voting in Jordan for 17 years, the Government announced here yesterday (our correspondent writes).

A total of 101 candidates had campaigned for seats in constituencies on the East Bank of the Jordan left vacant by the deaths of their incumbents. Voting was not on party lines, as political parties are banned under martial law regulations.

Seats are evenly divided between the East and West Banks, but because of the Israeli occupation empty seats on the West Bank are being filled by the lower house itself.

Warsaw's offer on crucifix dispute

Warsaw (AFP) – All crucifixes displayed on school walls will gradually be removed, Mr Jerzy Urban, the Polish Government spokesman, said yesterday following last week's series of student protests.

Mr Urban, speaking at his weekly news conference, said authorities would remove the crosses in a "peaceful manner to avoid conflict". Teachers would explain the lay nature of state schools while avoiding taking any "draconian measures".

He blamed "militant clericalists" for last week's troubles, when about 500 pupils at an agricultural shcool in Mietne, 45 miles south-east of Warsaw, occupied their classrooms to protest against the removal several months ago of crucifixes put up before the Solidarity union organization was banned.

The occupation was ended after two days but students from the nearby town of Garwolin began a protest pilgrimage to Czestochowa.

The Mietne protest was "not the fault of the students, but an incident organized by militant clericalists, both priests and parishoners, in an excess of zeal." Mr Urban said. The school would reopen when conditions permitted.

Fatal crash

Pinerolo, Italy (AP) – A general of Italy's paramilitary police (carabinieri) corps and three other officers were killed when their helicopter crashed in a rough mountainous area in the north-west Alps.

D-day for California gay rights

From Ivor Davis, Los Angeles

The fate of California's first so-called "gay rights Bill", which if passed will ban discrimination in job hiring because of sexual preference, hangs in the balance this week.

The state's conservative governor, Mr George Deukmajian, who has been bombarded with 4,000 phone calls and 5,000 letters a day, has until today to accept or reject the measure.

Hundreds of Bills come across the governor's desk but this one has triggered one of the most violent lobbying free-for-alls ever seen in Sacramento, the state capital. It is the most controversial issue the governor has had to handle during his 14 months in office and he admits it is a difficult one. "I will examine the issue very carefully, look at all arguments on both sides, and exercise my honest, best judgement", he said.

"The fact that the governor is struggling is something of a victory", said the author of the Bill, Assemblyman Art Agnos, a democrat from San Francisco, a city with one of the biggest homosexual populations in the United States. "He didn't veto it the first day as an automatic gesture".

Nine years ago Mr Deukmejian, as the Republican leader of the state Senate, led the opposition to another landmark gay rights Bill. The measure passed and wiped from the books any prohibitions on private sexual conduct between consenting adults.

A spokesman for the governor said the majority of telephone callers and letter writers are opposed to the new measure. One of the most vociferous opponents is a group calling itself the Family Coalition of California's most ultra-conservative legislators, including Senator John Doolittle. A Republican who warned that the Bill "does represent a strong threat to family life".

The group vows to press for a public vote on the gay rights issue if the governor signs the Bill into law.

Mr Agnos has angrily denounced his opponents, pointing out that many of them in Sacramento claim to worry about the Bill's effect on the sanctity of the family while carrying on extra-marital affairs.

German steel workers upset industrial calm

From Michael Binyon, Bonn

A rash of brief strikes in the steel industry has upset the normal calm of German industrial relations and made it clear that the fight over a trade union demand for a 35-hour week will be bitter and protracted.

On Monday, negotiations with union representatives of 124,000 steel workers in south-west Germany broke down after only three hours and IG Metall, the giant steelworkers' union, promptly gave notice of strike action. Talks are due to resume at the end of the month.

More than 2,000 workers from 13 steel plants in Giesenkirchen, in the Ruhr, began their shifts two hours late on Monday in support of their claims for a five-hour cut in the working week and a wage rise of 3.5 per cent.

The union said the action was successful and police said demonstrations, in which about 2,000 people took part, passed off peacefully.

Both employers and unions have dug in over the demand for a 35-hour week. The unions maintain it is the only way to create a large number of jobs and relieve unemployment. The employers say they cannot afford this without a wage cut.

The arguments have been growing increasingly bitter over the past three months. Chancellor Kohl has described the demand as stupid, and the Government has said it would increase rather than alleviate unemployment.

Officials at IG Metal, the union which has embraced the demand most effusively, said the mood was becoming uglier and more explosive.

Employers, backed by the Government have offered the unions early retirement and a flexible working week instead which they say makes more economic sense.

The Social Democratic opposition has condemned the Government's refusal to compromise, and on Monday Herr Ernst Breit, chairman of the German Trade Unions Federation, sharply attacked what he called the Government's attempt to turn wage negotiations into a form of "political trench warfare".

Yesterday, negotiations for another 640,000 workers in North Württemberg were adjourned after two and a half hours, with a warning of likely strikes.

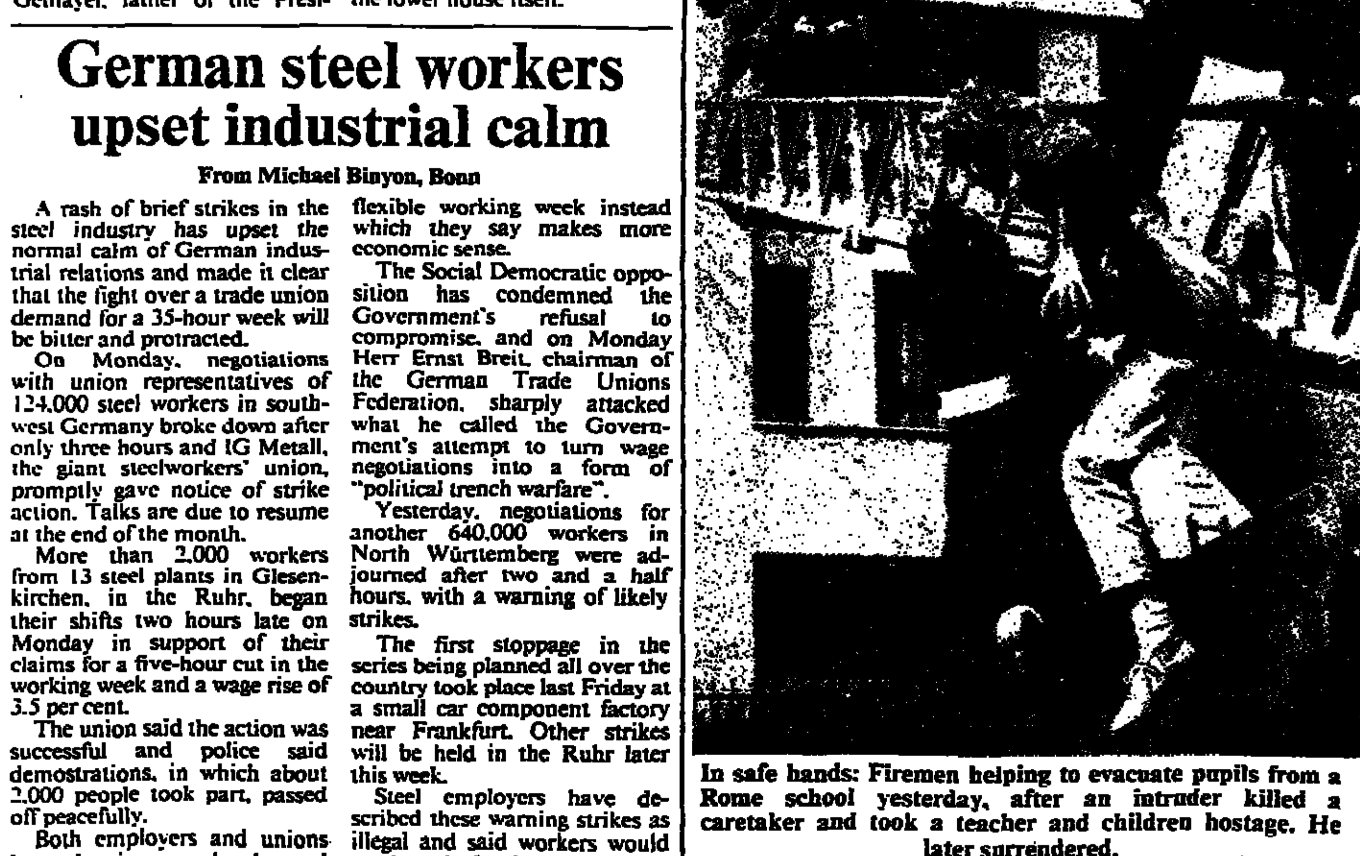
The first stoppage in the series being planned all over the country took place last Friday at a small car component factory near Frankfurt. Other strikes will be held in the Ruhr later this week.

Steel employers have described these warning strikes as illegal and said workers would not be paid for time missed as a result.

Employers see the campaign leading to one of the toughest confrontations between unions and employers since the war. But industrial relations analysts do not believe the unions are strong enough to force their demands through.

They point out that all the polls have shown that Germany's workers would prefer early retirement to a shorter week.

In an effort to take the steam out of the union campaign the Government changed its proposed law on early retirement last week, offering workers the chance to retire at 58 instead of 59 as the proposal originally envisaged.


In safe hands: Firemen helping to evacuate pupils from a Rome school yesterday, after an intruder killed a caretaker and took a teacher and children hostage. He later surrendered.

Gandhi loses footing on anti-corruption Bill

From Michael Hamlyn, Delhi

The usually sure-footed Government of Mrs Indira Gandhi appeared yesterday to stumble, allowing itself to seem indecisive on a matter of some importance and to tolerate serious corruption among its supporters. Neither fault would improve Mrs Gandhi's image in a crucial election year.

The fuss centres on Mr Abdur Rahman Antulay, the jovial former Chief Minister of Maharashtra. Mr Antulay was forced from office after a judge found that he had been guilty of corruption, but he still has many friends among the legislators of his home state and in the inner councils of Delhi.

Mr Antulay remained loyal to Mr Gandhi during her period in the wilderness after she lost the 1977 elections. His loyalty was rewarded after her return to power when her son, Mr Sanjay Gandhi, was instrumental in having him made Chief Minister.

He was well liked in the state and regarded as effective in getting things done. But one reason for his success as a politician had been his efficiency as a fund raiser, both for the party and – as it turned out – for himself.

He was forced to resign, but criminal proceedings against him were blocked because state government authorization was needed for a public servant to be prosecuted, and the Maharashtra government was dominated by his supporters.

However, his opponents appealed to the Supreme Court, who recently ruled that former chief ministers – even though they were still members of legislative assemblies – were not public servants and could be prosecuted without state authorization.

His case began this week, but before it did he met Mrs Gandhi and other party leaders. On Monday the new Chief Minister of Maharashtra, Mr Vasantdada Patil, told the Congress (I) Legislative party in the state that he had been instructed to bring forward legislation which made clear that all members of legislative assemblies were indeed public servants.

Mr Patil is reported to have then told Mrs Gandhi he would resign. Mr Patil has a powerful base in the state, and for him to resign would do the party untold harm.

Argentines feel the pinch after beef ban

From Douglas Tweedale
Buenos Aires

Beef-loving Argentines are having a week without their favourite meal as the government ban on meat sales, aimed at bringing down food costs, takes effect.

The measure, announced on Friday, prompted a weekend spree of buying by housewives determined to stockpile enough of the inch-thick steaks that are a staple of the Argentine diet, to get their families through the week.

By yesterday, meat stands in Buenos Aires markets had closed in response to the ban, which came after meat prices rose by about 50 per cent last month.

The Government of President Raúl Alfonsín has been unable to reach its goal of reducing inflation in the three months since it took office and a 17 per cent increase in the cost of living last month was blamed in large part on the high cost of beef.

Announcing the measure, the Trade Secretary, Señor Ricardo Campero, said the problem was one of inadequate supply and price manipulation by middlemen. "This (the ban) was not something we had planned to do. It is just an emergency measure." The ban prohibits the sale of meat in markets and restaurants.

Whether it will bring down the cost of living is an open question. Already people selling other foodstuffs are taking advantage of the scarcity of beef to raise prices of their own goods. Newspapers reported that chicken, pasta and vegetable price increases would probably offset any reduction in the cost of beef.

Minister to face charge of treason

Tunis (AFP) – The former Tunisian Interior Minister, Mr Driss Guiga, is to be tried for treason. President Habib Bourguiba made the decision after an inquiry into January's bread price riots.

Border deaths

Bangkok (AFP) – Burmese forces killed two Thai soldiers and wounded 14 others after crossing into Thailand in an apparent attempt to strike from the rear at Karen insurgents, Thai Army officials said. Thailand rushed troops and planes to the area.

Strict arrest

Buenos Aires – General Ramon Camps, former police chief of Buenos Aires province, has been placed under strict arrest on charges involving the kidnap, torture and murder of several thousand political detainees. He has been in custody since January but the new order means more rigorous detention.

Ship damaged

Tokoyo (AFP) – A Japanese car carrier with about 500 Toyota cars on board was shelled and slightly damaged on Sunday off the Chinese port of Fuzhou it was learnt yesterday. No causualties were reported and it is not know whether the shell came from Taiwan or China.

Shell kills child

Budapest (AP) – A Second World War shell exploded here, killing a child trying to dismantle it and injuring eight of his schoolmates.

Afghan troops riot and mutiny

From Our Own Correspondent, Delhi

Efforts by the Afghan Government to ease the desperate manpower shortage in its armed forces by extending the term of national service from three years to four have been greeted, according to Western diplomats here, by mutinies, desertions and faction fights in army bases.

The announcement that all non-combatants – that is, those mainly on guard duties in and around Kabul – would have to serve an extra year was made on radio and television last Thursday.

Within half an hour a large-scale gun battle had broken out at the headquarters of the Eighth Brigade in Kangha, on the western outskirts of the city.

According to some reports the *mujahidin* guerrillas were attacking the base. If this was the case it was by far the biggest *mujahidin* raid since August last year, when a notable attack was made on the old fortress of Bala Hissar.

But other reports said that a fight had broken out between different factions in the base, and the *mujahidin* were attracted to the area only after they observed what was going on. The guerrillas themselves opened fire with mortars.

What had been a riot "quickly turned into a chaotic mutiny," according to Western sources. Tank cannon were used, and the *mujahidin* gave covering fire for deserters to withdraw.

Many of the Afghans serving in the armed forces are touchy about their length of service. They are demobbed at six month intervals.

Russian discontent, page 16

Angry Basques destroy eight French lorries

From Richard Wigg
Madrid

Eight French lorries, suspected of transporting fish, were destroyed by fire yesterday as Basque fishermen stepped up their protests before tomorrow's court appearance of two skippers accused of obstructing a French naval patrol in the Bay of Biscay last week. Three of the lorries, however, were carrying scrap metal.

Twelve lorries have now had their contents destroyed

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Personal taxation

Most taxpayers will have a rise in their take-home pay

By Lorna Bourke

A 12 per cent rise in personal tax allowances, with a 5 per cent increase in higher rate tax thresholds will leave most, but not all, taxpayers better off.

Hidden taxation in the form of higher National Insurance thresholds, announced last November, mean that some people earning between £12,200 and £13,000 a year will be worse off.

But for many at the top and bottom of the earnings scale, the Chancellor's Budget changes mean a significant improvement in take-home pay. A married couple with two children, a £20,000 mortgage and earning £13,000 a year will be nearly £3 a week better off, even without the higher child benefit which will be paid next year.

Those earning £40,000 or more with a £30,000 home loan will have an extra £8 a week to spend.

The investment income surcharge, which meant an extra 15 per cent tax on investment income over £7,100, is being abolished at a cost to the Revenue of £360m in a full year.

The surcharge particularly affected the elderly who had saved for retirement out of taxed income and then had to pay the 15 per cent surcharge on the income from their savings.

It was also much disliked by married women obliged to declare their investment income *to their husbands who then had* to pay the extra tax.

Higher rate tax thresholds *have been increased only by the rate of inflation, rather than in* line with personal tax allowances. The starting point for *higher rate tax has gone up from* £14,600 to £15,400, and the top 60 per cent band will start at £38,100, compared with £36,000 for the current tax year.

This differential between the increases in personal tax allowances and higher rate tax thresholds is intended to put more money into the pockets of lower-paid workers.

There have been no concessions on fringe benefits with car tax scales going up by 10 per cent, double the rate of inflation. The Chancellor emphasized that even with these increases, the deemed benefit to the employee is still considerably less than the actual cash value of the benefit.

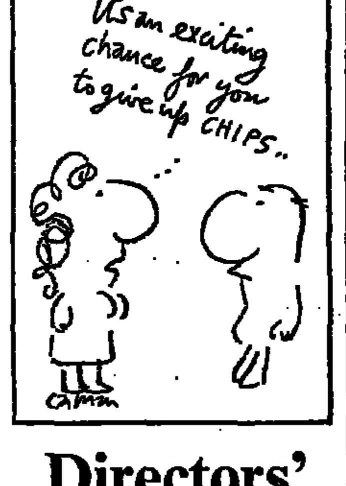
No moves were made to raise the £8,500 threshold above which fringe benefits are caught by the tax net. This was last raised in 1979-80.

There is also a change in the *rule which gave a 25 per cent tax concession on earnings*, as long as at least 30 days were spent abroad. This concession is now being cut to 12.5 per cent for 1984-85 and disappears in 1985-86. The Chancellor said he believed the concession was distorting people's work patterns as executives stayed abroad more than necessary, simply to obtain the tax benefits.

For those who stay abroad on business for more than a year there has been no change.



The Chancellor, Mr Nigel Lawson, giving finishing touches to his Budget speech before putting it in the Red Box, to be opened later in the House yesterday. (Photo: Chris Harris)



Directors' warning on growth

The Institute of Directors praised the Chancellor for raising tax thresholds, abolishing the investment income surcharge, improving share incentives and starting the "long-overdue great debate" on public spending.

Mr Water Goldsmith, the institute's director-general, said: "We also applaud the continuing reduction in the public sector borrowing requirement with its favourable consequences for lower inflation and interest rates.

"But the Chancellor is gambling on economic growth to provide the resources for future tax cuts. Such a policy has failed too often in the past because of external circumstances such as world recession.

"Apart from the welcome but overdue publication of the Green Paper on public expenditure and taxation, there is no indication that spending is to be reduced in real terms to allow a palanned programme of tax cuts and that is what the Government is supposed to be committed to.

"Although the Chancellor has increased personal allowances by more then inflation, what he has given with one hand he has taken away with the other by indirect tax increases.

"Pressure must be brought to bear on every spending ministry if the Chancellor is ever to implement the tax-cutting targets of his party and his predecessor, Sir Geoffry Howe." Otherwise, he said, Britain will stumble through a series of neutral budgets which will not build business and individual support for an economic and financial strategy which badly needs tax cutting as its cornerstone.

Friendly societies

Aggressive selling leads to curb

By Margaret Drummond

The Chancellor limited the privileges of registered friendly societies after concern that several new organizations were marketing policies aggressively in order to take advantqge of the special tax concessions.

Only married couples or single people with dependants can take out a policy with a tax-exempt friendly society, which invests the premiums in a tax-free fund. Previuosly the tax-exempt societies were allowed to write business up to £2,000 sum assured – a monthly premium of £20. From today the limit is reduced to £750.

At the same time the rival mixed-business societies, previously restricted to a £500 limit on tax-exempt business will have the same higher limit as the tax-exempt societies.

One reason for the change, which will not affect the 300,000 existing policy holders in friendly society schemes, is the number of new organizations that have come into the market in recent years in order to exploit the tax situation. Friendly societies were originally designed as mutual self-help organizations.

Another reason for the change is the Chancellor's desire to put all savings on the same fiscal basis. Although new friendly society policy holders lose the tax relief on premiums paid, they will continue to enjoy the benefits of the tax-exempt policies, but at the new lower level.

Motorist's bill up £18.50 a year

The increases in motoring taxation were no more than expected, but were still difficult to swallow and would add an extra £18.50 to the average motorist's annual bill, the Automobile Association said.

The increases in vehicle tax and petrol would particularly affect those who have to use their cars *for getting to and* from work.

Reaction

Cheers and jeers from the pressure groups

The Low-Pay Unit welcomed the Chancellor's decision to *raise the personal tax allowances* by more than the rate of inflation, but said it was not enough to reduce the tax burden *on average-income and low-paid* families to the levels of 1978-79.

The unit also suggests that *the Chancellor has taken back* more than half the income tax cuts he has awarded to the low-paid by increasing indirect taxes.

It also criticizes the abolition of the investment income surcharge and the reduction of stamp duty for home-buyers, at a time when the Government is planning to cut housing benefit for the poorest families.

'Fine for wealthy pensioners'

Help the Aged was alsc critical, saying it was a "give-and-take Budget if you happer to be one of the better ofl pensioner investors who drinks wine and rides around in an invalid car which runs on paraffin".

It added: "Benefit will rise only in line with prices, which leaves pensioners with no increase in real terms. The small saver with a bank deposit account will now be drawn into tax.

"The raising of tax thresholds will bring some relief to retired people with part-time jobs or occupational pensions. The car tax relief for war pensioners and the disabled hardly compensates *for the fact that once again* the Chancellor has missed opportunities to help the pensioner."

CBI welcomes end of tax on jobs

But the Budget changes were welcomed by the Confederation of British Industries, whose director-general Sir Terence Beckett, said: "Most of the things we asked for have been given." He added: "Final removal of NIS – pernicious jobs tax – is very welcome indeed, as are the reductions in stamp duty, the removal of investment income surcharge and improved tax arrangements for share options.

"The VAT changes on imports and on construction are problems, as are the tobacco increases and removal of relief on life assurance, all of which will need careful examination, as do the corporation tax changes.

"A very good budget overall for the competitiveness and enterprise of British industry and commerce. "All in all, a nice one."

'Great news for home buyers'

The raising of the stamp duty threshold from £25,000 to *£30,000* was the best news that housebuyers have had for a long time, according to the Royal Institution of Chartered Surveyors.

It said: "This will offer great encouragement to the housing market. It will not only give a boost to the first-time buyers market, but will effectively reduce duty payable on the more expensive property.

"With proposal to levy an overall rate of 1 per cent above £30,000 simplifies the tax structure, but does little to abolish the sharp jump in duty payable at the threshold level."

But the institution said the Chancellor's proposal to apply VAT to building alterations was far less welcome. "This wil significantly increase the cost to home owners of extending and improving their homes. The RICS has long urged the need for the abolition of VAT on repairs to buildings and it deplores the Government intention to extend this tax."

Takeaway food tax disappoints

There was also disappointment about the Government's *proposals to charge VAT on hot* takeaway food and drink.

The Wimpy hamburger chain said the tax would tend to hit *the lower paid, the young, and* those of the public who find modern fast food service a major convenience. Investment *in the high streets was creating* many jobs.

VAT on building work condemned

The Royal Institute of British Architects also condemned the decision to extend VAT to *building alterations.*

It said: "Making building alterations liable to VAT will reduce the volume of work carried out. It will also encourage the black economy which can mean corners being cut and lower quality building work.

"Although the changes in stamp duty and development land tax are welcomed, we do *not believe that they will* compensate for this new tax on the industry."

False economy fear on property upkeep

Paint makers had a similar complaint. Mr Michael Levete, director of the Paintmakers' Association, said: "It is a matter *of regret to property owners and* to tax and ratepayers that the chancellor has not seen fit to remove building maintenance expenditure from the effects of VAT.

"The Paintmakers' Association has recently accumulated *powerful evidence which shows* that maintenance is being widely neglected for short-term cost savings, particularly in the *national and local government* sectors.

Investment

National Savings limits reduced

By Peter Wilson-Smith

The Government plans to raise £3,000m in the new financial year from National Savings – the same targer as for the previous two years.

The decision to extend the composite rate tax system to the banks next year is widely expected to lead to a flood of money moving into National Savings because the Government will have virtual monoploy on savings shemes which *pay interest without deducting* tax.

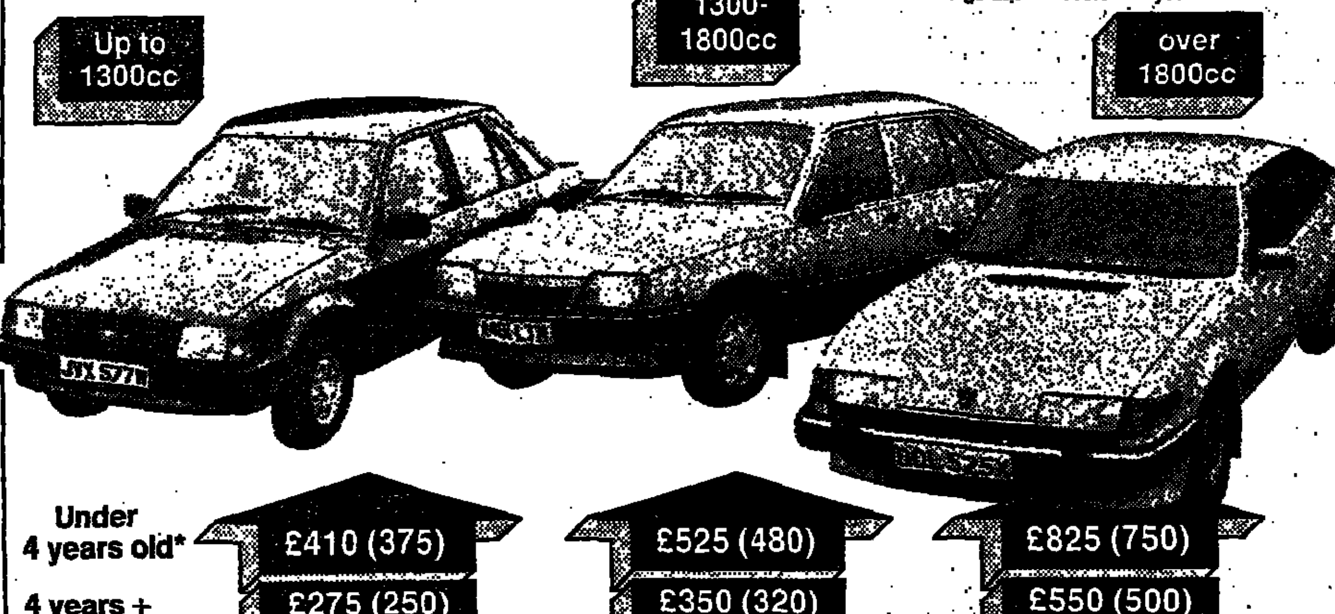
The Government also announced yesterday that it is reducing the amount which savers may invest in National Savings Income Bonds and Investment accounts from £200,000 to £50,000. For income bonds the new linit will take effect from tomorrow. For investment accounts, it will come into force in May. However customers whose investments already stand above the new limit will not be affected.

The rates offered on National Savings schemes are highly competitive at present. The investment account pays 11 per cent before tax, while the income bonds pay gross interest of 11.5 per cent.

The twenty-sixth issue of savings certificates, which was introduced last August, offers investors 8.26 per cent tax free, equivalent to 11.8 per cent for basis rate tax payers and even more for higher rate taxpayers.

TAX ON CAR BENEFITS 1985-86 (1984-85 figures in brackets)

Cars with original market value up to £17,500 (£16,000)



Brake on perks: The company car came in for its annual *Budget-bashing* with the taxable benefits for fuel and car increased by 10 per cent for the tax year 1985/86. (Ian Griffiths writes).

But the Chancellor said that the taxable benefit was still far less than the benefit received. *This differential* is slowly being eroded.

The car scales, introduced in 1977/78, are reduced by the amount an employee spends for his personal use.

The tax on car and fuel benefits is mainly collected via employees' personal tax codes, which are adjusted each year.

Timber rules tightened

One of the Budget proposals removes any ambiguities arising *in the taxation of commercial* woodlands, as a result of the case of Russell v. Hird and Mercer in the High Court last year. *Under this proposal*, anyone who has use of woodlands for the purpose of felling and removing timber in connexion *with his trade, for* example, a timber merchant, will not be regarded as the *occupier for tax purposes.* Occupiers are liable to tax under schedule B, and since the tax is calculated on the unimproved value of the land, it works out at little more than a pittance. Timber merchants, in contrast, are taxed on their annual profits

THE BUDGET

Income tax and personal finance

Stamp duty on shares and homes

Compromise cut responds to Stock Exchange pressure

By Graham Searjeant, Financial Editor

In response to pressing pleas from the City, the Chancellor has halved the rate of stamp duty which must be paid on the transfer of stocks and shares by the purchaser, from 2 per cent to 1 per cent. The new rate applies immediately for all Stock Exchange transactions.

The move will be heartily welcomed on the Stock exchange, but is something of a compromise. Purists had asked for the duty to be abolished altogether; the Stock Exchange pressed for a rate of 0.5 per cent. However, Mr Lawson has instead put the rate on domestic stock and share transfers at the same level as that charged for purchases by overseas residents.

Even so, the move is relatively costly, losing an estimated £160m a year in tax revenue. The Chancellor has resisted any temptation to extend the stamp duty to government securities, which could easily have increased his revenue overall, partly because this would inevitably have increased the cost for companies which raise loan issues, which are also free of stamp duty on transfers.

Companies will in any case be disappointed that no change has been made to the capital duty on the issue of new capital, although the Chancellor had indicated that he may come back to tackle such technical changes in stamp duty later.

The cut in stamp duty will encourage active share ownership, but its main impact will be on the city and particularly on the Stock Exchange.

Stamp duties on stocks and shares have raised some £335m in the present financial year at minimal costs of collection. However, the Stock Exchange's long-running campaign against the tax has gained renewed momentum for two reasons.

First, the discrimination between government stocks – which were not liable to the duty – and shares, made little sense at a time when the Government wanted to help private sector financing, while encouraging individuals to buy shares. Secondly, the 2 per cent duty made the London Stock Exchange uncompetitive with other exchanges around the world in an increasingly international business where big investors at home and abroad make their deals in the cheapest centre.

The existing lower 1 per cent duty on purchases of shares from abroad recognized this, but merely led to blocks of shares in British companies being built up and traded in New York and elsewhere. The abolition of exchange controls both in Britain and abroad and the rapid spread of electronic links between financial centres ensure this trend towards a "world market" will continue.

The Stock Exchange has now made its own efforts to cut its lending costs to big institutional investors by agreeing to abolish fixed commissions before the end of 1986. Given such changes, a cut in stamp duty to 0.5 per cent was seen by the Exchange as necessary to make it competitive.

Cheaper, simpler levy helps most buyers

By Vivien Goldsmith

Buying a house had been made cheaper for nearly everyone by the Chancellor's raising of the threshold at which stamp duty is payable from £25,000 to £30,000 and the halving of the basic rate of duty from two per cent to one per cent.

The Chancellor has abolished the stepped system of duty and replaced it with a straight one per cent levy on purchases over £30,000.

Previously, stamp duty was levied in bands from 0.5 per cent for purchases from £25,001 to £30,000, one per cent on those between £30,001 and £35,000 and 1.5 per cent from £25,001 to £40,000, when the maximum levy of two per cent came into operation.

The entire cost of the transaction was chargeable at the highest rate, so small differences in purchase price could lead to a large difference in the stamp duty due.

This was thought to encourage deals between house purchasers and vendors to transfer part of the purchase price to "fixtures and fittings" to keep the transaction in the lower stamp duty band.

The flat rate system irons out the jerky jumps in duty and takes away the incentive to keep transactions within set limits.

The new duty will mean that 90 per cent of first time buyers will escape stamp duty altogether and 70 per cent of all house purchases will be exempt. It will cost the Chancellor £290m in 1984-85.

Officially, the change takes place on March 20 but any house purchase completed today or after will be stamped at the new rates. Only purchases which have already gone through will be stamped at the old higher rate.

The average house in Britain costs £28,500 and would have been subject to stamp duty at 0.5 per cent – that is £142. Now it is free from all stamp duty. In London, the average house costs £37,000 and would have been subject to stamp duty at 1.5 per cent – that is £555. Now duty is £370.

The Chancellor has closed the loophole allowing some people to avoid duty altogether by exploiting a loophole which exempted agreements for leases with more than 35 years to run. These will now be liable for duty.

The changes mean that many people will pay less. Those making purchases of between £30,001 and £35,000 will experience no change. Nobody will have to pay more.



Percentage gain: Most house buyers will benefit from flat rate duty.

Working abroad

Britons' relief rights curbed

By Our City Staff

British residents working and trading abroad for less than 365 day in a year will lose the tax relief on that part their incomes and emoluments earned overseas from the start of the financial year 1985-86. But the full relief for people working abroad for 365 days or more remains.

Under the existing provisions, British residents working abroad for 30 days or more in a year can claim relief at the rate of 25 per cent on their earnings during that period.

But it is proposed that the relief on employees' incomes be reduced to 12.5 per cent in the financial year 1984-85, and that it will then be abolished altogether.

The Inland Revenue estimates that some 50,000 people will be affected by the change. That includes the self-employed as well as employees. A person carrying on his or her own trade or business in Britain, and who previously claimed 25 per cent relief on income made overseas, will be subject to the same cuts in relief over the same period. People who are resident in Britain but carry out all their business overseas are likewise affected.

Assessment for incomes of all these categories of people is normally made on earnings from the previous year. So in 1984-85 seven-eights of the 1983-84 profits will be charged (or seven-eights of losses carried forward) and in subsequent years the full amount will be charged.

Capital allowances will be cut from a quarter to an eigth before abolished in 1985-86.

The Inland Revenue also proposes to publish a consultative dcocument on rules governing travel expenses borne by employers of people working abroad.

It is proposed that any changes that are necessary will be added as clauses to the Finance Bill.

Foreign workers

Clamp down on tax benefit

Foreign employees of overseas companies who are working in Britain will lose concessions which have meant that their tax rates are lower than British residents, under proposals put forward by the Chancellor, Mr Nigel Lawson, in his Budget speech yesterday. Some 50,000 people are likely to be affected.

The Inland Revenue estimates that this measure, along with a complementary one designed to end a loophole by which British residents claimed relief on earnings made while abroad for more than 30 days and less than 365 days in a year, will yield about £15m in earnings in the financial year 1984-85, rising to £60m and £70m in emoluments for 1984-85, and to £100m towards the end of the decade.

Present provisions allow employees of foreign companies to claim a 50 per cent deduction from income before being liable to tax. Employees resident in this country for nine out of the last 10 years qualify for a 25 per cent deduction. There are also changes to special rules for golden handshakes.

Mr Lawson proposed, however, that people entitled relief on Budget Day for income earned in 1983-84, under the nine years out of 10 rule, should lose relief for 1984-85 and for following years.

For those previously entitled to the 50 per cent deduction, the rate of relief will be halved for 1987-88 and 1988-89, and will be withdrawn completely from 1989-90.

Workers who have already agreed to take up jobs in Britain but who have not yet arrived will be subject to lower deductions, culminating in abolition of the relief as though they were already working in the country.

Golden handshakes which previously also benefited from a 50 per cent deduction before tax was payable will from today be taxed on their full amount.

Investment income

Surprise abolition of 15% surcharge

By Graham Searjeant, Financial Editor

The Chancellor has gone far beyond most City hopes in helping people who live off investment income by abolishing altogether the 15 per cent investment income surcharge which they have had to pay over and above the ordinary rates of income tax.

The move was seen by the Chancellor as offering help to small businessmen who retire without any pension and must therefore live on the income from investing the proceeds of selling or at least withdrawing from employment in their own business.

However, it will also prove of enormous benefit to the rich and particularly the idle rich who have now received a tax benefit comparable in scope to the reductions in th top rates of earned income tax in the 1979 Budget.

The change could have a profound effect on the way rich people invest their money, removing a good deal of their present incentive to choose investments that offer capital gains rather than income.

The change which will operate from April 1, is reckoned to cost £350m a year for a full year, though, because the tax is paid in arrears, it will only knock abou £25m off state revenue in the coming tax year.

By contrast, the Chancellor has disappointed expectations of further reforms to capital gains tax. He has increased the annual limit for tax-free capital gains by the rate of inflation from £5,300 to £5,600. In addition, the gains tax exemption for retired people who dispose of shares in their own businesses will double from £50,000 to £100,000 as originally envisaged in the pre-election Budget and backdated it to April 1983.

Holders of company debentures and loans will also now enjoy the same relief from capital gains tax after one year of ownership already enjoyed by holders of government debt.

However, the Chancellor has indicated that there will be a discussion document on the future of capital gains tax and that he will return to the subject in next year's Budget.

The attempt by Mr Lawson's predecessor, Sir Geoffrey Howe, to index capital gains after April 1982 for tax purposes produced enormous complexities, mainly because of the provision that indexation should start only a year after new purchases.

This provision, designed to leave out short-term stock and share dealing, is seen as a deterrent to wider share ownership, because its complexities can outweigh its financial advantages and the new-style tax has been highly unpopular with the City and professional advisers.

The Chancellor has been lobbied to allow indexation from purchase, to index gains made before 1982, to cut the rate of tax and to abolish it altogether.

Full abolition would have cost about £600m a year, with the proceeds of the stock exchange boom still to come.

It was also widely expected that he would at least increase the 1983-84 exemption of the first £5,300 of capital gains per year by more than indicated, simply on inflation in the past year.

The investment income surcharge was introduced after the income tax system was reformed and the old two-ninths relief for earned income abolished. It became extremely unpopular in the years of maximum tax rates under the last Labour Government, when 83 per cent top income tax rate plus the 15 per cent surcharge left wealthy people facing a 98 per cent nominal tax rate. But the cuts in top tax rates and the exemption of the first slice of income have since eased this problem.

The first slice of investment income exempted from the surcharge has been progressively raised. In 1979, it was lifted from £1,700 to £5,000 and amalgamated with the special reliefs for retired people.

Adjustment for inflation during 1983 would have lifted the exempt income from £7,100 to £7,476.

In the current year, the surcharge was estimated to raise £290m.

Capital transfer tax

Maximum rate cut from 75% to 60%

There are no fundamental reforms to capital transfer tax, but drastic changes on the rates at the top of the scale offer reliefs to the rich which are substantial enough to change the way millionaires look at their tax-planning and the disposition of their estates.

The most important change is that the top rate of capital transfer tax, which applied until now to all transfers on death of more than £2.6m has been cut from 75 per cent to a new maximum rate of 60 per cent. This means that the intermediate rates of 65 and 70 per cent, which applied on estates between £700,000 and £2.6m, have also been abolished in favour of the new 60 per cent overall maximum rates.

This change is in line with the Government's general philosophy, as demonstrated in the 1979 income tax reforms, that any rate of tax above 60 per cent is oppressive and causes distortions.

A second important change for the wealthy is that the tax rates for gifts (above the £3,000 per annum tax-free limit) in future will be half the rate on estates all the way along the scale. Until now, the lifetime rate was half the rate after death up to £220,000 but more than half at higher levels.

There have been no unexpected changes in the starting points or bands for capital transfer tax which have slply been raised by the rate of inflation.

The net effect is that there is little difference at the bottom of the scale but a lifetime gift rate of 30 per cent and a rate of tax on death of 60 per cent apply to all transfers of more than £285,000.

Apart from allowing wealthy familiers to keep more of their money, the changes could have one important implication. By cutting the top rate of tax on gifts within a person's own lifetime from 50 per cent to 30 per cent and at the same time widening the difference between the treatment of lifetime gifts and transfers after death, capital transfer tax had been subtly restructured to encourage more of the wealthiest people to hand on their money to the next generation during their lifetimes.

CAPITAL TRANSFER TAX RATES ON LIFETIME AND DEATH TRANSFERS

	1983-84 Lifetime Scale	1983-84 Death Scale		1984-85 Lifetime Scale	1984-85 Death Scale
nil to £60,000	nil	nil	nil to £64,000	nil	nil
£60,000 to £80,000	15%	30%	£64,000 to £85,000	15%	30%
£80,000 to £110,000	17.5%	35%	£85,000 to £116,000	17.5%	35%
£110,000 to £140,000	20%	40%	£116,000 to £148,000	20%	40%
£140,000 to £175,000	22.5%	45%	£148,000 to £185,000	22.5%	45%
£175,000 to £220,000	25%	50%	£185,000 to £232,000	25%	50%
£220,000 to £270,000	30%	55%	£232,000 to £285,000	27.5%	55%
£270,000 to £700,000	35%	60%	£285,000 and over	30%	60%

MPs' expenses

Ironing out the anomalies

Members of Parliament could do worse than most out of the Budget because of a change in the way their expenses are taxed.

At the moment MPs for constituencies outside the inner London area are given an allowance of up to £6,163 a year for staying away from home.

The figure (144 times the £42.80 allowed to top civil servants for a single night's subsistence in London) is subject to regular review by the Top Salaries Review Body. It is also taxable.

MPs have, however, been allowed to claim a deduction against their income for expenses "wholly, exclusively and necessarily" incurred in performance of their Parliamentary duties. Until now, there has been no limit on the amount that they could claim.

If some MPs have been claiming more expenses than they could take in allowances, it will be to no avail in future if the Chancellor's proposals go through.

He is suggesting that the Additional Costs Allowance should cease to be taxable and members should no longer be able to claim deductions against their Parliamentary salaries for expenditure incurred on the performance of their Parliamentary duties.

MPs of modest aspirations, who manage to live within their allowance, will do well out of the proposed changes. Those members can elect to have the new rules applied to earlier years for which assessments have not yet become final and conclusive.

Stock relief

Inflation cushion abolished

By Ian Griffiths

As part of his general theme to reform the business tax regime, the Chancellor has announced the abolition of stock relief, which was one of the ad hoc measures introduced by the last Labour government to mitigate the impact of inflation on the stocks held by manufacturing companies.

No stock relief will be granted for increases in stock values after this month. The Chancellor gave no indication that relief which has already been granted will be clawed back.

The change will have its biggest impact in the manufacturing sector, where it has been a major source of benefit, particularly in times of rapidly rising stock prices. The short-term impact on some companies with high stock levels could be quite significant.

Stock relief allowed companies to offset the inflation element of price increases in stocks against their tax liability. It has been tampered with over succesive budgets and was seen by many as unwieldly to manage and of little benefit with inflation running at only 5 per cent.

Old tax system revived

Fillip for executive share option scheme

By Graham Searjeant Financial Editor

Companies which want to reward top executives by helping them to build up capital gains linked to the performance of their employers' shares received a fillip when the Chancellor reverted to the old system of taxing any profit made on exercising an option as a capital gain attracting a maximum tax rate of 30 per cent rather than income, with a possible tax rate of 60 per cent.

However, this concession will only be applied to options given to employees to buy shares in their companies after April 6 this year and only to share option schemes approved by the Inland Revenue. Existing options are unaffected, except that income tax liability can be spread over 5 years instead of three.

At the same time, the Chancellor has doubled the limit for general employee Save as You Earn option schemes first introduced under the 1980 Finance Act. The maximum eligible saving rises from £50 to £100 per month from the date to be announced later this year.

In a related minor concession, the Chancellor has increased the limit for tax-free long-service testimonials from £10 to £20 per year of service from today.

General savings-related share option schemes for employees were introduced under the 1980 Finance Act. These allow employees to take out a Save-as-You-Earn contract to buy shares in their company at a fixed price. Any profits from the difference between the price of the shares when the option is exercised and the price under the contract are free of income tax, though there can be a liability to capital gains tax. However, the qualifying Save-as-You-Earn contracts have been limited to £50 a month.

The CBI and other managerial lobbies have argued that under these circumstances it was reasonable to treat discretionary executive share option schemes more favourably.

Many schemes have continued or been started since the tax privileges were removed. Some felt that treating option profits as capital gains might still be too politically sensitive for firms to regard it as permanent and that the less controversial concessions of longer periods to spread income tax and/or allowing firms to deduct the cost of executive share options from their taxable profits would be of more help to companies trying to help senior executives build up capital.

Reactions mixed

Two cheers from employers

The Chancellor's budget proposals were welcomed by the Confederation of British Industry and the Institute of Directors. However, another employers' organization, the British Institute of Management, had "grave doubts" that the Budget would give manufacturing industry a boost.

The CBI's Director-General, Sir Terence Beckett, said: "Most of the things we asked for have been given. Final removal of NIS – the jobs tax – is very welcome indeed, as are the reductions in stamp duty, the removal of investment income surcharge, and improved tax arrangements for share options.

"The VAT changes on imports and on construction are problems, as are the tobacco increases and removal of relief on life assurance, all of which will need careful examination. So do the corporation tax changes."

The Institute of Directors thought the Budget got "two cheers from business."

"The Chancellor deserves praise for raising tax thresholds, abolishing the investment income surcharge, improving share incentives, and starting the long-overdue great debate on public spending", it said in a statement.

"We also applaud the continuing reduction in the PSBR, with its favourable consequences for lower inflation and interest rates. But the Chancellor is gambling on economic growth to provide resources for future tax cuts.

"Apart from the welcome but overdue publication of the Green Paper on public expenditure and taxation, there is no indication that spending is to be reduced in real terms to allow a planned programme of tax cuts and that is what the Government is supposed to be committed to."

The BIM had little enthusiasm for some of Mr Lawson's measures.

"Britain's managers have grave doubts that the Budget changes in company allowances would give British manufacturing industry the boost it desperately needed", said its director-General, Mr Roy Close.

"I do not think that the net result of the Chancellor's Budget can provide the level of investment required in the private sector. It certainly offers nothing in the public sector, which has been neglected too long", he said.

However, BIM welcomed the NIS abolition, which would help industry, and also the planned cut in corporation tax, said Mr Close.

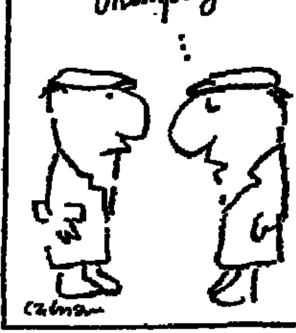
The Retail Consortium said it welcomed the Budget because the Chancellor "recognized the important part consumer spending had played in the economic recovery so far." Raising tax threasholds would do much to maintain this.

The Budget will do nothing for the economy, said Mr Len Murray, the TUC General Secretary.

"The Chancellor may be cheerful, but there will be few cheers for the four million people without jobs."

Mr Terry Roydon, president of the House Builders Federation, said the Budget was "a fillip to house purchasers."

"Personal tax changes have put money into their pockets and the change in stamp duty will help first-time buyers, 90 per cent of whom will now be exempt from this tax".



Calke Abbey

Historic house for nation

By John Young

Calke Abbley, in Derbyshire, is to be purchased for the nation and handed over to the National Trust, Mr Lawson announced.

The Treasury has agreed to accept the house and part of the estate in lieu of tax, understood to be about £2m out of a total tax debt of more than £8m. The National Heritage Memorial Fund has been further allocated further grants from the Exchequer of £1,300,000 in the present financial year and £5m next year, of which about £3,500,000 will be earmarked for repairs and future maintenance.

The Trust estimates that it needs some £3,600,000 to repair the house and prepare it for opening to the public and a further £4,400,000 for an endowment fund to meet future costs. It is expected to receive about £1m from the new Commission for Historic Buildings and Monuments, together with an undisclosed contribution from the trustees of the house's former owners, and plans to raise the balance through a public appeal.

Poor families

Escape from poverty trap

The increases in personal tax allowances above inflation will lift some 10,000 families out of the poverty trap, according to the Department of Health and Social Security.

That was welcomed, but criticized as "not sufficient to make real inroads into the problem" by Mr Chris Pond, director of the Low Pay Unit, who said some 160,000 families were caught in the trap where loss of benefits, combined with taxation as earnings rise, can lead to little or no gain in net income.

The Child Poverty Action Group said that for the same cost as the extra increase in tax allowances, the Chancellor could have raised child benefit by nearly £2, instead of the 35p that spending plans anticipate. That would have concentrated the help on families with children, who were those most affected by the poverty trap.

Mr David Hobman, director of Age Concern (England), said that pensioners had "been forgotten" in the Budget. He asked what had happened to the Government's promise that pensioners would benefit from improvements in the economy.

The Spastics Society welcomed the decision to give vehicle excise relief on cars for the disabled but was "deeply disappointed" that there had been no move towards giving charities relief from VAT.

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Excise duties

Fillip for wine trade, but beer drinkers and smokers suffer

By Derek Harris, Commercial Editor

Sales of beer, spirits and tobacco are expected to shrink at least for a time in the wake of the Chancellor's excise duty changes.

There are now fears that sales declines could bring a further wave of job losses particularly in tobacco manufacturing, with a threat to tobacconists.

The Chancellor's 18p price cut on a bottle of table wine is expected to create a new surge in wine drinking.

The overall wine market in Britain grew by nearly a tenth last year. Sparkling wine rose by almost 13 per cent. Table wines were up more than 12 per cent.

The table wines have gained the new advantage because the Chancellor has moved to meet a European Court ruling that table wine's tax burden should be eased so it is nearer to that on beer.

Adding 2p to a pint of beer and lopping .up off a bottle of wine instantly eased the ratio.

The wine price reduction is likely to give a particular boost to sales of wines in boxes, trade reports suggest. About 12 per cent of table wine sales are already accounted for by wine boxes. A three-litre wine box will see a reduction of around £1.10.

Sparkling wines do not share the advantage of table wines under the EEC ruling, and rise by 10p a bottle. The same increase applies to fortified wines like port and sherry.

A strong warning on the effects of raising beer prices by more than 1p to offset inflation went to the Chancellor only last week from the Brewers' Society its chairman, Mr Charles Tidbury, estimated that for every additional 1p on a pint above the 1p accounting for inflation, sales were likely to drop by 1 per cent.

Britons drank a little more beer last year – the market was up 1.3 per cent – but the brewers put this down to the exceptional summer. The underlying trend in sales was already down before the Chancellor added the new tax burden of 2p a pint, the industry claimed.

The Chancellor was also faced with a decision whether to deal more fairly on taxation as between beer and cider which carries about a third of the tax burden on beer. In the event he added 3p a pint to ciders of similar strengths to beer.

The addition of 10p to a bottle of Scotch with comparable increases for other spirits is seen as an inevitable threat to sales, particularly as trade increases are also expected shortly.

Distillers have been expected to add 15p to 20p a bottle at the shop counter. But the tax increase on spirits is much smaller than had been anticipated: indexation for inflation would have meant adding almost 28p a bottle.

Distillers welcomed the Chancellor's news that the Italians will stop discriminating against Scotch imports through high rates of Value-Added Tax. Italy is Britain's fourth biggest Scotch market and exports there may now be expected to rise. Last year exports to Italy were up by about 1 per cent.

In Britain, spirits sales flagged most of last year but towards the year end there were improvements which have so far been sustained.

Health lobbyists had urged the Chancellor to add 20p to a packet of cigarettes. Instead the impost was 10p on a packet of 20. A rise to have taken account only of inflation would have meant adding 3.5p

The downward trend in cigarette sales is now expected to accelerate and there are growing fears in the industry that soon more production lines will be closed and jobs lost.

BAT, with brands like State Express, Du Maurier and Ardath, last month announced a partial withdrawal from the British market with a loss of 1,840 jobs. Four weeks earlier Carreras Rothman had announced a factory closure with a loss of 1,200 jobs.

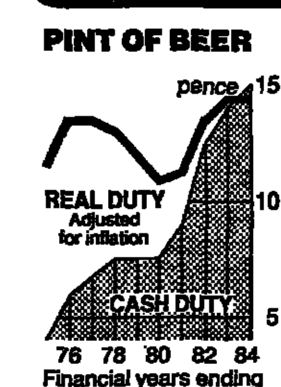
Taxes are also up on cigars, with 6p to 7p being added to a packet of five "whiffs" or ten miniatures.

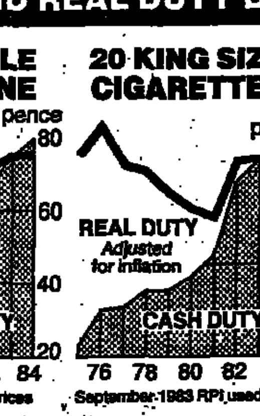
Loose-packed tobacco for hand-rolling cigarettes rises by 15p for a 25 gramme pack, an increase more in line with made-up cigarett4s.

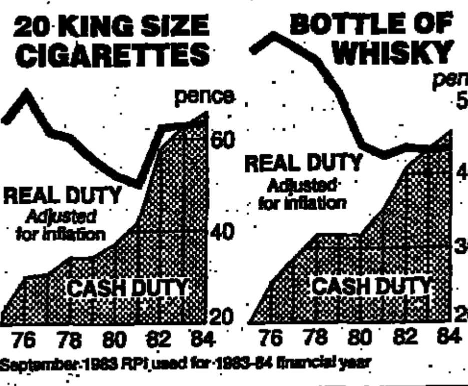
But pipe tobacco, which attracted no additional tax last year, again escaped an increase. Nearly half of pipe smokers are men aged 60 and over.

Retail stocks of spirits, tobacco and beer, which normally allow offers at pre-Budget prices to continue for some weeks, are this year lower than usual.

THE CASH AND REAL DUTY BURDEN









Cheers to the Chancellor: Mr Lister Fielding, managing director of Victoria Wines celebrating the 18p cut in excise duty on a bottle of wine (photograph: Suresh Karadia).

Takeaway food

Fish and chips to cost more

By Jeremy Warner

Indian and Chinese takeaways, the traditional British eat-out meal of fish and chips and American style hamburgers will all cost about 15 per cent more as a result of the Chancellor's decision to charge Value Added Tax on hot takeaway food and drink.

The tax, which comes into effect on May 1, will cost the takeaway industry about £125m in the current financial year, and as much as £200m in a full year, the Treasury estimates.

The Chancellor said takeaway food increasingly competed with that served in restaurants, so did not deserve tax privileges.

But the decision was described as "very disappointing" by the McDonald's hamburger chain.

The decision has to be seen in the context of the Chancellor's wish to broaden tha VAT base by removing the zero rating on some goods and services.

But cold foods, such as sandwiches, will not be affected, so there is likely to be considerable confusion in takeaway outlets which serve both hot and cold foods

Petrol tax

Diesel keeps price edge

By David Young, Energy Correspondent

The Chancellor has increased petrol prices by marginally more than the oil companies cut them at the start of their present price war a month ago, and has retained the traditional price advantage of diesel fuel.

Prices of four-star will rise by 4.5p a gallon to an average of 184.1p, which compares with the average of 183.7p before Esso announced its price cut on February 9.

The new prices will be posted at the pumps when new deliveries made after today go on sale. Britain's motorists will still have the second cheapest petrol in the European Community after West Germany.

Diesel will rise by 3.5p a gallon, taking its prices at the pumps up to anything between 165p and 170p a gallon, retaining its competitive adge over petrol to the relief of the major motor manufactures, who now all make diesel-engined vehicles and are actively promoting the cost benefits of diesel cars.

Several oil companies had feared that the recent price cut would encourage the Chancellor to increase petrol prices by more than the inflation rate. They expected an increase of as much as 8p a gallon.

The change in the tax means that with four-star petrol averaging 184.1p motorists are now paying more than £1 per gallon in tax. The petrol companies receive 74.6p a gallon, the petrol station operator 7.5p and the Government 102p. Petrol first broke the £1 a gallon barrier in 1979.

A BP Oil spokesman said last night that as the price rise had been fixed at the rate of inflation no significant fall in demand was expected.

The abolition of the 1p a gallon duty on paraffin for home heating is described by the oil companies as insignificant. Paraffin sells at between 130p and 140p a gallon,

Home repairs

Builders furious over VAT change

By Jeremy Warner

Home improvement and building companies were up in arms last night over the Chancellor's announcement that the Government intends to start charging value-added tax on all alterations made to buildings.

The Builders' Employers' Confederation described the measure as deplorable and draconian and the Householders' Association promised a prolonged campaign to get the decision reversed.

All improvements to the home, including the installation of central heating and double glazing, wil from the beginning of June become liable to the full 15 per cent VAT rate.

Previously it was only repair and maintenance work which was charged. But from June even alterations to existing civil engineering work will be liable to VAT. The measure will be worth about £250m to the Exchequer in 1984 and £450m in a full year.

The Builders' Employers' Confederation said that even the Chancellor's decision to put 10p on the price of a packet of cigrettes paled into insignificance against the penal effect of the VAT measures on its members.

Vehicle tax

Higher duty for heavy lorries

By Michael Baily
Transport Editor

The average motorist will pay out an extra £20 a year as a result of the rise in road tax from £85 to £90 and in petrol tax of 4½p a gallon.

More significant in transport terms is the surprising way the Chancellor has contradicted the advice of a recent Department of Transport study by loading more tax on to heavier lorries and reducing the burden on lighter ones.

Vehicle excise duty on lorries up to 7½ tonnes drops from £150 to £130; rises on 12 to 16 tonnes from £780 to £850; on 32 tonne articulated vehicles from £2,290 to £2,450; on 38-tonners from £2,940 to £3,100; and on four-axle rigids of about 31 tonnes from £1,990 to £2,100.

The Chancellor has loaded an extra £52m a year on to lorry tax, whereas the Department of Transport in a recent study suggested that lorry tax should actually be reduced by about £57m, with heavier lorries the least penalized.

All the new measures should marginally benefit British Rail.

The Freight Transport Association said last night: "We are not happy at all that tax on an essential service to the national economy has been increased when the Department of Transport recently advised it should be reduced."

The Road Haulage Association found the measures "quite inexplicable".

Lorry tax has been a highly contentious issue for years, with lorry operators objecting to being over-taxed, and environmentalists arguing that the tax burden should be heavier.

The matter should have been settled by the impartial Armitage Report in 1980 which found that while lorries generally paid more in tax than they generated in track costs (by £40m a year), the heaviest vehicles paid too little (by up to £800 a year each) and should pay more.

Although taxes on heavy lorries have been raised by £1000 a year the environmental attack continues, fuelled by the rapidly rising cost of repairs to Britain's crumbling motorways.

Chancellor sets out his plans for helping jobs and enterprise



A neutral-flavour Budget

COMMONS

Mr Nigel Lawson, Chancellor of the Exchequer, began his first budget statement by saying:

This Budget will set the Government's course for this Parliament. There will be no letting up in our determination to defeat inflation. We shall continue the policies that we have followed consistently since 1979. These policies provide the only way to achieve our ultimate objective of stable prices. To abandon them would be to risk renewed inflation, and much higher unemployment.

As a result of our determined efforts, inflation is at its lowest level since the sixties. Economic recovery is well under way. Employment is growing.

These achievements are a tribute to the courage and foresight of the five Budgets presented by my distinguished predecessor (Sir Geoffrey Howe), whose duties unfortunately keep him in Brussels today.

I shall do nothing today to compromise those successes. But there is much that I can do to build upon them.

My Budget today has two themes. First, the further reduction of inflation and second, a series of tax reformes designed to enable the economy to work better. Reforms to stimulate enterprise and set British business on the road to profitable expansion. Reforms that will help to bring new jobs.

I shall begin by reviewing the economic background to the Budget. I shall then deal with the medium-term financial strategy: with monetary policy and the monetary targets for next year: with public borrowing and the appropriate PSBR for the coming year. I shall then turn to public expenditure, including the prospects for the longer term.

Finally I shall deal with taxation, and the changes in the structure of taxation which will pave the way for cuts in taxes in subsequent years. For this will be a tax reform budget.

As usual, a number of press releases, filling out the details of my tax proposals, will be available from the Vote Office as soon as I have sat down.

BACKGROUND

Sound finance honest money

I start with the economic background.

Since 1980, inflation has fallen steadily from a peak of over 20 per cent. For last year as a whole it was down to about 4½ per cent, the lowest figure since the sixties, and with lower inflation have come lower interest rates.

This in turn has led to an economic recovery whose underlying strength is now beyond dispute, whereas in some previous cycles recovery has come from a self-defeating stimulus to monetary demand, this time it has sprung from sound finance and honest money, lower inflation and lower interest rates benefit industry, business, and consumer confidence alike.

Across the economy, total money incomes grew in 1983 by about 8 per cent, of which 3 per cent represented real growth in output. Although there is still room for improvement, this is a very much healthier division between inflation and real growth than the nation experienced in the 1970s.

Output in the second half of 1983 is now reckoned to have exceeded the previous peak, before the world recession set in, and is still rising strongly.

Productivity too has continued to improve rapidly. Just as over the past year many have wrongly predicted an end to the recovery, so some have tried to dismiss the sharp rise in productivity as a flash in the pan.

Yet in 1983 manufacturing productivity grew by 6 per cent for the second year in succession. Unit labour costs across the whole economy are likely to show the smallest annual increase since the 1960s. This has allowed a welcome and necessary recovery in real levels of profitability.

Higher profits lead to more jobs. The number of people in work increased by about 80,000 between March and September last year. The loss of jobs in manufacturing has slowed down sharply, while jobs in sevices increased by getting on for 200,000 in the first nine months of last year.

But further progress is needed. Although our unit wage costs in manufacturing rose by under 3 per cent last year, our three biggest competitors, the US, Japan and Germany, did better. The employment prospect would be significantly improved if a bigger contribution to improve cost performance were to come from lower pay rises.

Demand, output, profits and employment all rose last year. Home demand has played the major part in the recovery so far. Lower inflation reduced people's need to save, and real incomes rose. Personal consumption increased by over 3½ per cent compared with 1982.

Fixed investment rose rather faster than consumption, with investment in housing and services particularly strong.

GROWTH

Weak demand overseas

Our rate of economic growth last year was the highest in the European community. For much of 1983 our export performance was affected by weak demand in many of our overseas markets, while imports rose slightly faster than home demand. But by the end of last year world trade was clearly moving ahead again, and in the three months to January manufacturing exports increased very substantially. The balance of payments on current account last year is estimated to have been in surplus by about £2b.

Our critics have been confounded by this combination of economic recovery and low inflation. Even the pessimists have been forced to acknowledge the durability of the recovery.

It is set to continue throughout this year at an annual rate of 3 per cent. Inflation is expected to remain low, edging back down to 4½ per cent by the end of this year. With rising incomes and low inflation, consumption will continue to grow. And, encouraged by improved profitability and better long-term growth expected, investment is expected to rise by a good 6 per cent this year.

Looking abroad, too, economic prospects are more favourable than for some time. Output in the United States should continue to grow strongly this year. And recovery is spreading to the rest of the world.

Of course, there is inevitable risks and uncertainties. The size and continued growth of the United States budget deficit is a cause of widespread concern and keeps interest rates high, exacerbating the problems of the debtor countries.

And the need to finance the US deficit by inflows of foreign capital has kept the dollar artificially high and led to a massive and growing trade deficit, greatly increasing the pressures for protectionism within the United States.

A second potential risk is disruption in the oil market. The United Kingdom, and indeed the world economy, inevitably remain vulnerable to any major disturbances in this market.

But despite these risks there is a growing sense throughout the industrialised world that the recovery this time is one which can be sustained. The essential requirement is the contimued pursuit of prudent monetary and fiscal policies.

MEDIUM TERM

Disciplined framework

For the United Kingdom, the Medium-Term Financial Strategy has been the cornerstone of such policies. It will continue to play that role; to provide a framework and discipline for Government and to set out clearly, to industry and the financial markets, the guidelines of policy. Too often in the past Governments abandoned financial discipline whenever the going got rough, and staggered from one short-term policy expedient to another. The temptation to accomodate inflationary pressures proved irresistible, and the nation's longer-term economic performance was progressively undermined.

The MFTS was designed to remedy this, by imposing a disciplined financial framework which would also ensure consistency between monetary and fiscal policies, and a proper balance in the economy.

It is so designed to ensure that the more inflation and inflationary expectations come down, the more room is available for output and employment to grow.

People now know that the Government intends to stick to its medium-term objectives. They understand that the faster inflation comes down, the faster output and employment are likely to recover. The increasing degree of realism and flexibility in the economy owes much to the pursuit of firm and consistent policies within the MTFS framework.

Originally the MFTS covered four years. In this first Budget of a new Parliament it is appropriate to carry it forward for five years. So the MFTS published today in the Financial Statement and Budget Report – The Red Book – shows a continuing downward path for the monetary target ranges over the next five years, and a path for public borrowing consistent with that reduction.

It takes full account of important influences such as the pattern of North Sea oil revenues, and the level of asset sales arising from the privatization programme.

For the two final years of the new MTFS, which lie beyond the period coverd in last year's public expenditure survey and last month's White Paper, the Government has not yet made firm plans for public spending. But the MTFS assumption – and at present it is no more than an assumption – is that the level of public spending in 1987-88 and 1988-89 will be the same in real terms as that currently planned for 1986-87.

The precise figures set out in the MTFS are not of course a rigid framework, lacking all flexibility. As in the past, there may need to be adjustments to take account of changing circumstances.

But no changes wil be made tha might jeopardise the consistent pursuit of the Government's objectives.

MONETARY POLICY

Exchange rates stable

Monetary policy will continue to play a central role. Further reductions in monetary growth are needed to achieve still lower inflation.

Over the 12 months to mid-February the growth of £M3 has been well within the 7-11 per cent target range, with M1 at the top of the range and PSL2 a little above it. While in the early months of the target period most measures of money showed signs of accelerating, since the summer growth in all the target aggregates has been comfortably within the range. And nominal interest rates have continued to decline in line with falling inflation.

Other evidence confirms that monetary conditions are satisfactory. The effective exchange rate has remained fairly stable, despite the international uncertainties which I have described.

If monetary policy is to stay on track its practical implementation must adapt to changes in the financial system and in the significance of different measures of money. There is nothing new in this. Over the years we have more than once altered the target ranges and aggregates to take account of such changes. But the thrust of the strategy has been maintained.

One important development has been the decision to give a more explicit role to the narrow measures of money. £M3 and the other broad aggregates give a good indication of the growth of liquidity. But a large proportion of this money is in reality a form of savings, invested for the interest it can earn. In defining policy it is helpful also to make specific reference to measures of money which relate more narrowly to balances held for current spending.

It was for this reason that M1 was introduced as a target aggregate, but it has not proved entirely satisfactory for that purpose. With the rapid growth of interest-bearing sight deposits, M1 has become an increasingly poor measure of money held to finance current spending. The signs are that this will continue.

Other measures of narrow money have not been distorted to the same extent. In particular, M0, which consists mainly of currency, is likely to be a better indicator of financial conditions than M1.

There is also the new aggregate M2, which was specifically devised to provide a comprehensive measure of transactions balances. This may also be a useful guide but, being new, still needs to be interpreted with particular care.

In the past two years, it has been possible to set a single target range for both broad and narrow measures of money. But this will not normally be the case; for narrow monetary aggregates tend in the long run to grow more slowly than broader measures. Thus this year's Red Book sets out two separate (though overlapping) ranges.

The target range for broad money will continue to apply to £M3, and for the coming year will be set at 6-10 per cent, as indicated in last year's MTFS.

The target range for narrow money will apply to M0 and for next year will be set at 4-8 per cet. To avoid any possible misunderstanding, let me stress that the use of M0 as a target aggregate will not involve any change in methods of monetary control.

The two target aggregates will have equal importance in the conduct of policy. And the authorities will continue to take into account other measures of money, especially M2 PSL2, which include building society liabilities, as well as wider evidence of financial conditions, including the exchange rate.

As in the past, monetary conditions will be kept under control by an appropriate combination of funding and operations in the money market.

So far as funding is concerned, the public sector's borrowing requirement, as I shall shortly explain, will be significantly lower in the coming year. In financing it, the role of National Savings will remain important. This year's National Savings' target of £3b is likely to be achieved: the target for the coming year will again be £3b.

Precise monetary targets for the later years will be decided nearer the time. But to give a broad indication of the objectives of monetary policy, the new MTFS, like previous versions, shows monetary ranges for a number of years ahead.

These ranges are consistent with a continuing downward trend in inflation: they demonstrate the Government's intention to make further progress towards stable prices.

BORROWING

PSBR above intention

I turn now to public borrowing, just as the classical formula for financial discipline – the gold standard and the balanced budget – had both a monetary and a fiscal component, so does the Medium Term Financial Strategy.

The MTFS has always envisaged that the Public Sector Borrowing Requirement would fall as a percentage of Gross Domestic Product over the medium term. By 1981-82 we had brought it down to 3¼ per cent of GDP.

Since then there has been little further fall the latest estimate of the PSBR for the current year, 1983-84, remains what it was in November: around £10b equivalent to 3¼ per cent of GDP.

This is significantly above what was intended at the time of last year's Budget, and would of course have been higher still had it not been for the July measures.

We now need a further substantial reduction in borrowing, in order to help bring interest rates down further as monetary growth slows down. Sterling interest rates are, of course, also influenced by dollar interest rates; but that makes it all the more important to curb domestic pressures.

In contrast to virtually the whole of the post-war period, UK three-month and long-term rates are now lower than American rates. As long as American rates remain near their current level, it is highly desirable that this advantage be maintained.

The higher level or asset sales we are planning as the privatisation programme gathers pace is a further reason for reducting the PSBR significantly in the coming year.

Asset sales reduce the Government's need to borrow, but their effect on interest rates may be less than the effect of most other reductions in Government spending programmes.

Last year's MTFS showed an illustrative PSBR for 1984-85 of 2½ per cent of GDP, equivalent to around £8b. But I believe that it is possible, and indeed prudent, to aim for a somewhat lower figure. I am therefore providing for a PSBR next year near of 2¼ per cent of GDP, or £7¼b.

The house will recall that in November I warned that on conventional assumptions, including the 1983 Red Book's PSBR figure of £8b for next year, I might have to increase taxes slightly in the Budget. I am glad to report that the latest, and more buoyant, forecasts of tax revenue in the coming year have improved the picture, a PSBR of £7¼b will require no overall net increase in taxation.

Moreover, while the measures I shall shortly announce will, after indexation, be broadly neutral in their effects on revenue in 1984-85, they will reduce taxation in 1985-6 by well over £1,750m, and the MTFS published today shows that there should be room for further tax cuts not only in 1985-6, but throughout the remainder of this Parliament, provided that we stick firmly to our published plans for public expenditure to 1986-87, and maintain an equally firm control of public spending thereafter.

EXPENDITURE

Process has to stop

The public expenditure White Paper setting out our spending plans for the next three years was approved by the House last week. Today I want to consider the important issue of Government spending in a rather wider perspective. For far too long, public spending has grown faster than the economy as a whole. As a result, the tax burden has steadily increased and income tax has extended steadily lower down the income scale.

We have seen a massive enlargement in the role of the State, at the expense of the individual, and a corresponding increase in the dead weight of taxation holding back our economic progress as a nation.

This process has to stop. But it has arisen because much public spending is directed to eminently desirable ends. This raises difficult issues which deserve the widest possible consideration and debate.

The Government is therefore publishing today, in addition to the customary Budget documents, a Green Paper on the prospects for public spending and taxation over the next ten years. It examines past trends: discusses the pressures for still higher spending: and examines the rewards for the individual and the benefits for the economy if these pressures can be contained.

The Green Paper concludes that, without firm control over public spending, there can be no prospect of bringing the burden of tax back to more reasonable levels. On the assumptions made in the Green Paper, the burden of taxation will be reduced to the levels of the early 1970s only if public spending is kept broadly stable in real terms over the next ten years.

The Government believes that the issues discussed in the Green Paper merit the attention of the House and the country.

In contrast to previous years, I have no package of public expenditure measures to announce in this Budget. The White Paper plans stand.

I can, however, make one announcement, which I think the House will welcome. Within the published plans the Government has been able to provide the National Heritage Memorial Fund with additional resources which will enable them among other things to secure the future of Calke Abbey. The Secretary of State for the Environment (Mr Patrick Jenkin) will be announcing the details later today.

The House will recall that proposals for the new rates of social security benefit to come into force in November are not now made at the time of the Budget. Following last year's legislation to return to the historic method of uprating, price protection is measured by reference to the retail price index for May. The Secretary of State for Social Services (Mr Norman Fowler) will be announcing the new rates of social security benefits, including child benefit, when the May RPI is known.

Before leaving Government spending, I should add a word on public sector manpower. At the beginning of the last Parliament, the Government set itself the target of reducing the size of the Civil Service from 732,000 in April 1979 to 630,000 by April of this year. That target will be achieved. We have now set ourselves the further target of 593,000 by April 1988.

I am confident that a smaller Civil Service will continue to improve its efficiency. The tax changes I shall be announcing today will reduce manpower requirements by at least 1,000 in my own departments, which will help towards meeting the 1988 target.

TAX REFORM

Far-reaching changes

I indicated at the outset that this will be a radical, tax-reforming, budget. It will also significantly reduce the overall burden of tax over the next two years taken together. And I hope to have scope for further reductions in future budgets.

My proposals for reform are guided by two basic principles. First, the need to make changes that will improve our economic performance over the longer term. Second, the desire to make life a little simpler for the taxpayer.

But I am well aware that the tax reformer's path is a stony one. Any change in the system is bound, at least in the short term, to bring benefits to some and disadvantages to others. And the disapproval of the latter group tends to be rather more audible than the murmurings of satisfaction from the former.

Some commentators have suggested that our entire income-based tax system should be replaced with an expenditure-based system. Even if a root-and-branch change of this kind were desirable, it would, I believe, be wholly impractical and unrealistic.

But I do not believe we can afford to opt for the quiet life and do nothing. So I have chosen the middle way: to introduce reforms, some of them far-reaching, within the framework of our existing income-based system. I shall also be proposing transitional arrangements where I believe it fair and appropriate to do so.

The changes I shall be proposing today fall into three broad categories. These are the taxation of savings and investment, business taxation, and the taxation of personal income and spending.

First, the taxation of savings and investment. The proposals I am about to make should improve the direction and quality of both. And they will contribute further to the creation of a property-owning and share-owning democracy, in which more decisions are made by individuals rather than by institutions.

I start with stamp duty. This was doubled from its long-standing 1 per cent by the postwar Labour government in 1947, reduced by the Conservative Government in 1963, and once again doubled to 2 per cent by Labour in the first Budget presented by the Rt Hon member for Leeds East in 1974. At its present level it is an impediment to mobility and incompatible with the forces of competition now at work in the City, following the withdrawal of the stock exchange case from the restrictive practices court.

I therefore propose to halve the rate of stamp duty to 1 per cent. The new rate will apply straight away to Stock Exchange deals. It will also apply from today to other transactions where documents are stamped on or after March 20.

For the home buyer, the new flat rate 1 per cent stamp duty will start at £30,000. Below this level no duty will be payable. As a result of this £5,000 increase in the threshold, 90 per cent of first-time home buyers will not have to pay stamp duty at all.

Reducing the rate of duty on share transfers will remove an important disincentive to investment in equities and increase the international competitiveness of our stock market. It should also help British companies to raise equity finance.

In addition, I have four proposals to encourage the issue of corporate bonds. I shall go ahead with the new arrangements for deep discount stock and the reliefs for companies issuing Eurobonds, and for convertible loan stock, which were announced but not enacted last year. And I propose to exempt from Capital Gains Tax most corporate fixed interest securities provided they are held for more than a year.

Since such securities are already exempt from stamp duty this means that the tax concessions for private sector borrowing in the corporate bond market will now be virtually the same as for Government borrowing in the gilt-edged market.

The reductions in stamp duty will cost £450m in 1984-85, of which £160m is the cost of the relief on share transfers, and £290m the cost of the relief on transfers of houses and other buildings and land.

LIFE ASSURANCE

Tax relief withdrawn

Next, life assurance, the main effect of life-assurance premium relief today is unduly to favour institutional rather than direct investment. It has also spawned a multiplicity of well-advertised tax management schemes, and no less than 50 pages of legislation attempting to deal with its abuse.

I therefore propose to withdraw the relief on all new contracts made after today. I stress that this change will apply only to new (or newly enhanced) policies, taken out after today. Existing policies will not be affected at all. The change is estimated to yield about £90m in 1984-85.

I am also proposing to curtail the special – but unfortunately widely abused – privileges for what are known as "tax exempt" friendly societies, and bring them into line with the normal rules for friendly societies doing "mixed" business. However the limits within which in future all friendly societies will be able to write assurance on a tax exempt basis will be increased from £500 to £750.

I have also reviewed the tax treatment of direct personal investment. The investment income surcharge is an unfair and anomalous tax on savings and on the rewards of successful enterprise. It hits the small businessman who reaches retirement without the cushion of a company pension scheme, and impedes the creation of farm tenancies.

In the vast majority of cases it is a tax on savings made out of hard-earned and fully taxed income. More than half of those who pay the investment income surcharge are over 65, and of these half would otherwise be liable to tax at only the basic rate.

I have therefore decided that the investment income surcharge should be abolished. The cost in 1984-85 will be some £25m building up to around £350m in a full year.

Finally, I propose to draw more closely together the tax treatment of depositors in banks and building societies.

These institutions compete in the same market for personal deposits. I believe that they should be able to do so on more equal terms as far as tax is concerned. One source of unequal treatment has already been removed, with the recent change made on legal advice in the tax treatment of building societies' profits from gilt-edged securities. They are now treated in the same way as those of the banks have always been.

But the major source of unequal treatment, against which the banks in particular have frequently complained, is the special arrangement for interest paid by building societies. The societies pay tax at a special rate – the "composite rate" – on the interest paid to the depositor, who receives credit for income tax at the full basic rate.

This system, which has worked well for the past 90 years, has both an advantage and a disadvantage. The disadvantage is that a minority of depositors, who are below the income tax threshold, still pay tax at the composite rate. It has not however stopped many of them using building societies because of the competitive rates they have offered.

The advantage of the scheme is its extreme simplicity, particularly for the taxpayer: most taxpayers are spared the bother of paying tax on interest through PAYE or individual assessment, while the Revenue are spared the need to recruit up to 2,000 extra staff to collect the tax due on interest paid without deduction.

COMPOSITE RATE

Extension to banks

In common with my predecessors of all parties over the past 90 years, I am satisfied that the advantage of the composite rate arrangement outweighs the disadvantage. It follows that equal treatment of building societies and banks should be achieved, not by removing the composite rate from the societies, but by extending it to the banks and other licensed deposit-takers.

Non-taxpayers will continue to be able to receive interest gross, should they wish to do so, by putting their money into appropriate National Savings facilities. But the purpose of the move is not, of course, to attract savings into Government hands: as I have already announced, next year's target for National Savings will be the same as this year's and last year's: and the total Government appetite for savings, which is measured by the size of the Public Sector Borrowing Requirement, is being significantly reduced.

The true purpose of the move is simple: fairer competition and simplicity itself. The great majority of individual bank customers will, when it comes to tax, be able to forget about bank interest altogether, for all the tax due on it will already have been paid.

And it will be easier for people to compare the terms offered for their savings by banks and building societies.

The purpose of the change is not to raise additional revenue. The composite rate arrangement is designed to collect no more tax than would be due at the basic rate from all depositors under existing arrangements.

However, the Inland Revenue will be able to make staff savings of up to 1,000 civil servants. Moreover, this figure takes no account of the substantial numbers of additional Inland Revenue staff who would have been required to operate the present system as the trend towards the payment of interest on current accounts develops.

Accordingly, I propose to extend the composite rate arrangements to interest received by UK resident individuals from banks and other licensed deposit takers with effect from 1985-86. The composite rate will not apply either to non-residents or to the corporate sector. Arrangements will also be made to exclude from the scheme certificates of deposit and time deposits of £50,000 or more.

Taken together, the major proposals I have just announced on stamp duty, life assurance premium relief, the investment income surcharge, and the composite rate, coupled with other minor proposals, will provide a simpler and more straightforward tax system for savings and investment. They will remove biases which have discouraged the individual saver from investing directly in industry. They will reinforce the Government's policy of encouraging competition in the financial sector, as in the economy as a whole.

And they are part of a package of measures designed to enable interest rates to fall, and reduce the cost of borrowing.

BUSINESSES

Big reduction in burden

I now turn to business taxation. Here, Government has two responsibilities towards British business and industry. The first is to ensure that they do not have to bear an excessive burden of taxation. The second is to ensure that, given a particular burden, it is structured in the way that does least damage to the nation's economic performance.

The measures I am announcing today will, taking the next two years together, result in a substantial reduction in the burden of taxation on British business. And in addition I shall be proposing a far-reaching reform of company taxation.

Responses to the corporation tax Green Paper in 1982 showed a strong general desire to retain the imputation system. I accept that. But other changes are needed.

The current rates of corporation tax are far too high, penalizing profit and success, and blunting the cutting edge of enterprise. They are the product of too many special reliefs, indiscriminately applied and of diminishing relevance to the conditions of today. Some of these reliefs reflect economic priorities or circumstances which have long vanished, and now serve only to distort investment decisions and choices about finance. Others were introduced to meet short-term pressures, notably the upward surge of inflation.

With inflation down to today's low levels, this is clearly the time to take a fresh look. And with unemployment as high as it is today, it is particularly difficult to justify a tax system which encourages low-yielding or even loss-making investment at the expense of jobs.

My purpose therefore is to phase out some unnecessary reliefs, in order to bring about, over time, a markedly lower rate of tax on company profits.

First, capital allowances. Over virtually the whole of the post-war period there have been incentives for investment in both plant and machinery and industrial (though not commercial) buildings. But there is little evidence that these incentives have strengthened the economy or improved the quality of investment.

Quite the contrary: the evidence suggests that businesses have invested substantially in assets yielding a lower rate of return than the investments made by our principal competitors. Too much of British investment has been made because the tax allowances make it look profitable, rather than because it would be truly productive.

We need investment decisions based on future *market* assessments, not future *tax* assessments.

I propose to restructure the capital allowances in three annual stages. In the case of plant and machinery, and assets whose allowances are linked with them, the first year allowance will be reduced from 100 per cent to 75 per cent for all such expenditure incurred after today, and to 50 per cent for expenditure incurred after March 3 next year.

After March 3 1986 there will be no first year allowances, and all expenditure on plant and machinery will qualify for annual allowances on a 25 per cent reducing balance basis.

In addition, from next year annual allowances will be given as soon as the expenditure is incurred, and not, as they are today, when the asset comes into use.

This will bring forward the entitlement to annual allowances for those assets, such as ships and oil rigs, for which some payment is normally made well before they are brought into use.

BUILDINGS

More generous on average

For industrial buildings, I propose that the initial allowance should fall from 75 per cent to 50 per cent from tonight, and be further reduced to 25 per cent from March 31 next year. After March 31, 1986 the initial allowance will be abolished, and expenditure will be written off on an annual 4 per cent straight line basis.

When these changes have all taken place, tax allowances for both plant and machinery and industrial buildings will still on average be rather more generous than would be provided by a strict system of commercial depreciation.

The changes in the rates of allowances will not apply to payments under binding contracts entered into before midnight tonight, provided that the expenditure is incurred within the next three years.

There will be transitional tax arrangements for certain investment projects in the development areas and special development areas. When a project in those areas has had an offer of Industry Act selective financial assistance and also attracts regional development grants, the existing capital allowances will continue to apply to the expenditure to which the selective assistance is related. These arrangements will cover projects for which offers have already been made between April 1, 1980 and today.

Similar arrangements for regional development grants were announced by the Secretary of State for Trade and Industry (Mr Norman Tebbit) in his White Paper last December.

Over the same period to March 31, 1986, most other capital allowances will be brought into line with the main changes I have announced. The Inland Revenue will be issuing a press notice tonight giving full details of these proposals.

Next, stock relief. As the House will recall, this was introduced by the last Labour Government as a form of emergency help to businesses facing the ravages of high inflation. Those days are past: and the relief is no longer necessary. Company liquidity had improved and, above all, inflation has fallen sharply. Accordingly, I propose not to allow stock relief for increases in price after this month.

The changes I have just announced, in capital allowances and stock relief, enable me to embark on a major programme of progressive reductions in the main rate of corporation tax.

For profits earned in the year just ending, on which tax is generally payable in 1984-85, the rate will be cut from 52 per cent to 50 per cent. For profits earned in 1984-85 the rate will be further cut to 45 per cent, looking further ahead, to profits earned in 1985-86, the rate will go down to 40 per cent: and for profits earned in 1986-87 the main rate of corporation tax will be 35 per cent – no less than 17 percentage below the current rate.

All these rates for the years ahead will be included in this year's Finance Bill. And when these changes are complete, our rates of capital allowances for the generality of plant and machinery will be comparable with those in most other countries, while the rate of tax on profits will be significantly lower.

The substantial reduction in the rate of corporation tax will bring a further benefit. Our imputation system allows a company to offset in full all interest paid. But only a partial offset for dividends is allowed. Companies thus have a clear incentive to finance themselves through borrowing, in particular bank borrowing, rather than by raising equity capital. The closer the corporation tax rate comes to the basic rate of income tax, the smaller this undesirable distortion becomes.

Of course, the majority of companies are not liable to pay the main rate of corporation tax at all. For them it is the small companies' rate, at present 38 per cent, which applies.

I propose to reduce this rate forthwith to 30 per cent, for profits earned in 1983-84 and thereafter. A tax regime for small companies which is already generous by international standards will thus become markedly more generous.

The corporation tax measures I have just announced will cost £280m in 1984-85. In 1985-86 the cost will be £450m – made up of £1,100m by way of reductions in the rates, only partially offset by a £650m reduction in the value of the reliefs.

During the transitional period as a whole, these measures should have a broadly neutral effect on the financial position of companies. But when the changes have fully worked through, companies will enjoy very substantial reductions in the tax they pay.

Business and industry can go ahead confidently on the basis of the corporation tax rates I have announced today, which set the framework of company taxation for the rest of this parliament.

Over the next two years, these changes will cause some investment to be brought forward, to take advantage of high first year capital allowances – a prospect made all the more alluring for business since the profits earned will be taxed at the new, lower, rates.

But the more important and lasting effect will be to encourage the search for investment projects with a genuinely worthwhile return, and to discourage uneconomic investment.

It is doubtful whether it was ever really sensible to subsidise capital investment irrespective of the true rate of return. Certainly, with over three million unemployed it cannot make sense to subsidise capital so heavily at the expense of labour.

These changes hold out an exciting opportunity for British industry as a whole: an opportunity further to improve its profitability, and to expand, building on the recovery that is already well under way. Higher profits after tax will encourage and reward enterprise, stimulate innovation in all its forms, and create more jobs.

SMALL FIRMS

Farming not to qualify

I now turn to some more detailed measures affecting business.

The business expansion scheme, introduced last year as a successor to the business start-up scheme, has been widely welcomed as a highly imaginative scheme for encouraging individuals to invest in small companies. It is already proving a considerable success. It now needs time to settle down, and I have only one change to propose this year.

The scheme was designed to offer generous incentives for investment by new or expanding companies in high risk areas. The ownership of farmland cannot be said to fall within this category, and I therefore propose that from tomorrow farming should cease to be treated as a qualifying trade under the scheme.

Next, in keeping with what I have said about removing complexity and distortions, I propose to abolish two reliefs in the personal tax field which were introduced at a time when this country suffered from excessively high rates of income tax. As we have reduced those rates, the reliefs are no longer justified.

The first is the 50 per cent relief (falling after 9 years to 25 per cent) applied to the emoluments of foreign-domiciled employees working here for foreign employers, these employees are often paying much less tax here than they would either in

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Switch to taxes on spending linked with rise in allowances

Continued from page 8

either in their own country or in most other European countries.

At present income tax rates, the need for this relief has clearly disappeared. Moreover, it is open to widespread abuse. It is, for example, possible for someone whose parents came here from abroad, and who has himself lived here all his life, to enjoy this relief, if he works for a foreign company. That cannot be right.

I therefore propose to withdraw the relief for all new cases from today. For existing beneficiaries, the 25 per cent relief will cease on April 6, and the 50 per cent relief will be phased out over the next five years.

I also propose to withdraw the *foreign earnings relief for United* Kingdom residents who work at least 30 days abroad in a tax year. This relief too harks back to the days of penally high income tax rates. It too has been exploited, in particular by those who prolong their overseas visits purely in order to gain a tax advantage.

I propose to withdraw the matching relief for the self-employed who spend 30 days abroad, and for those resident in the United Kingdom who have separate *employments or* separate trades carried on wholly abroad. The relief will be halved to 12½ per cent in 1984-85 and removed entirely from April 6, 1985.

However, I am not making any change to the 100 per cent deduction given for absences abroad of 365 days or more. In addition, I have authorised consultations by the Inland Revenue about a possible relaxation in the rules governing the taxation of expenses reimbursed to employees for travel overseas.

The abolition of these reliefs will eventually yield revenue savings of over £150m; and represents another useful step in the removal of complexity and distortions in the tax systems.

I need to set the car benefit scales for those provided with the use of a car by their employer. Despite the increases over recent years, the levels still fall short of any realistic measure of the ture benefit. I am proposing an increase of 10 per cent in both the car and car fuel scales with effect from April 1985.

CAPITAL GAINS

Transfer tax changes

Unnecessarily high rates of tax discourage enterprise and risk taking. This is true of the capital taxes, just as it is of the corporation and income taxes. It is a matter of particular concern to those involved in running unquoted family businesses. The highest rates of capital transfer tax are far too high and badly out of line with comparable rates abroad.

I propose therefore, in addition to statutory indexation, to reduce the highest rate of capital transfer tax from 75 per cent to 60 per cent. For lifetime gifts I propose to simplify the scale so that the rate is always one-half of that on death.

For capital gains tax I will, as promised, bring forward in the Finance Bill proposals to double the *limit for retirement relief to a figure* of £100,000, backdated to April 1983. A consultative document on other possible changes in this relief is being issued next week.

I am proposing no other changes this year in capital gains tax beyond the statutory indexation of the exempt amount from £5,300 to £5,600. However, the tax continues to attract criticism – not least for its complexity – and that is a matter to which I hope to return next year.

We have done much to improve the development land tax. Early in the last Parliament, my predecessor increased the threshold from £10,000 to £50,000. I now propose a further increase to £75,000, which will reduce the number of cases liable to the tax by more than one-third.

Next share options. The measures *introduced in the last Parliament* to improve employee involvement through profit-sharing and savings-related share options schemes have been a notable success. The number of these schemes open to *all* employees has increased from about 30 in 1979 to over 670 now, benefiting some half a million employees.

To maintain and build on this progress I propose to increase the monthly limit on contributions to savings-related share option *schemes from £50 to £100*. I have also authorised the Inland Revenue to double the tax-free limits under the concession on long service awards, and to include within these limits the gift of shares *in the* employee's company.

But beyond this, I am convinced that we need to do more to attract top calibre company management and to increase the incentives and motivation of existing executives and key personnel by linking their rewards to performance.

I propose therefore that, subject to certain necessary limits and conditions, share options generally be taken out of income tax altogether, leaving any gain to be charged to Capital Gains Tax on ultimate disposal of the shares. The new rules will apply to options meeting the necessary conditions which are granted from April 6.

I am sure that all these changes will be welcome as measures to encourage the commitment of employees to the success of their companies and to improve the performance, competitiveness and profitability of British industry.

As the House knows, the Government is deeply concerned at the threat which the spread of unitary taxation in certain US states has posed to the US subsidiaries of British firms. *With our European* partners we are monitoring the situation closely, and await with keen interest the imminent report of US Treasury Secretary Regan's working group. It is essential that a satisfactory solution is found and speedily implemented.

US firms operating in this country are not of course *taxed on a* unitary basis.

I now turn to oil taxation. Last year's North Sea tax changes were well received, and there has been a substantial increase in the number of development projects coming forward, and a new surge in exploration. Work on no fewer than 128 offshore exploration and appraisal wells started last year an all-time record.

The Government is already committed to a study of the economics of investment in incremental development in existing fields. This is of increasing importance, and in consultation with the Secretary of State for Energy (*Mr Peter Walker*) I therefore propose to review this area with the industry, and to legislate as appropriate next year to improve the position. To prevent projects being deferred pending this review, any changes will apply to all projects which receive development consent after today.

Meanwhile, I am taking two measures to prevent an unjustified loss of tax in the North Sea. First in addition to the PRT measures on farmouts which I announced last September, I am limiting the Potential Corporation Tax cost of such deals.

Second, I propose to repeal the provision which allows advance *corporation tax to be repaid where* corporation tax is reduced by PRT. I have also reviewed the case for extending last year's future field concessions to the Southern Basin, but have concluded that additional incentives here are not needed.

I have just two further changes affecting business to propose, both of which will come into force on October 1.

Ever since VAT was introduced in this country, we have treated imports differently from the way *our main European Community* competitors treat them.

While they require VAT on imported goods to be paid in the same way as customs duties, we do not. Under our system an importer does not have to account for VAT on his imports until he makes his normal VAT return, on average some *11 weeks later*. During this time the importer enjoys free credit at the taxpayer's expense. But when one British businessman buys from another, he gets no such help from the taxpayer: he pays his VAT when he pays his supplier.

The European Commission has for some years now been seeking, *with our full support, to get a system* like ours adopted throughout the Community. But the plain fact is that in all that time the Commission has made no progress whatever.

I must tell the House that I am not prepared to put British industry at a competitive disadvantage in the home market any longer.

Should our European partners at any time undergo a Damascene conversion, and agree that the Commission's proposal should be accepted after all, then of course we would revert to the present system. But in the meantime I propose to move to the system used by our European competitors. We shall provide the same facilities for payment of VAT on imports as apply to Customs duties. That means that most importers will be able to defer payment of VAT by on *average one month from* the date of importation. But that is all.

As I have said, this change will apply from October 1. By bringing forward VAT receipts, it will bring in an extra £1.2bn in *1984-85*, some of which will be borne by foreign producers and manufacturers. There will of course be no increased revenue in subsequent years.

The second change I propose to make on October 1 concerns the National Insurance surcharge.

This tax on jobs was introduced by the Labour Government in *1977* at the rate of 2 per cent, and further increased by Mr Healey in 1978 to 3½ per cent. During the last Parliament, this Government reduced it to 1 per cent, and we are pledged to abolish it during the lifetime of this Parliament.

SURCHARGE

Abolition in October

Given the impact that this tax has, not only on industrial costs, but also – at a time of high unemployment – on jobs, I have decided to take the opportunity of *this* my first budget to fulfil that pledge.

Abolition of the National Insurance surcharge from October will reduce private sector employers' costs by almost £350m *in 1984-85*, and over £850m in a full year. It will thus be of continuing help to British industry. As before, the benefit will be confined to the private sector.

The House will I am sure agree that a Budget which substantially reduces the Government's demands on the financial system, which abolishes the National Insurance surcharge, and which cuts the rates, and simplifies the structure of corporation tax, is a Budget for jobs and for enterprise. It offers British *industry an opportunity which I am* confident it will seize.

PERSONAL TAXES

Switch to spending

Having announced major reforms of both the taxation of savings and investment and the taxation of business, I turn now to the third and final area in which I propose to make progress on tax reform. This is the taxation of personal income and spending.

The broad principle was clearly set out in the manifesto on which we were first elected in 1979. This emphasized *the need for a switch* from taxes on earnings to taxes on spending. My predecessor made an important move in this direction in *his first Budget*, and the time has come to make a further move today. To reduce direct taxation, by this means is important in two ways. It improves incentives and makes it more worth while to work, and it increases the freedom of choice of the individual.

Having regard to the representations *I have received on health* grounds, I therefore propose an increase in the tobacco duty which, including VAT, will put 10p on the *price* of a packet of cigarettes, with corresponding increases for hand-rolling tobacco and cigars. This will do no more than restore the tax on tobacco to its 1965 level in real terms.

These changes will take effect from midnight on Thursday. I do not, however, propose any increase in the duty on pipe tobacco.

I propose to raise most of the other excise duties broadly in line with inflation, so as to maintain their real value: not to do so would run counter to the philosophy I *outlined a moment ago*. But with inflation as low as it now is, the necessary increases are on the whole mercifully modest.

I propose to increase the duties on petrol and derv by amounts which, including VAT, will raise the price at the pumps by 4½p and 3½p a gallon respectively. This does no more than keep pace with inflation. The changes will take effect for oil delivered from refineries and warehouses from six o'clock this evening. I do not propose to increase the duty on heavy fuel oil, which is of particular importance to industrial costs.

There is one excise duty which I propose to do away with altogether. *Many of those who find it hardest to* make ends meet, including in particular many pensioners, use paraffin stoves to heat their homes. It is with them in mind that I propose to abolish the duty on kerosene from six o'clock tonight. I am sure that this will be welcomed on all sides of the House.

The various rates of vehicle excise duty will, once again, go up roughly in line with prices. Thus the duty for cars and light vans will be increased by £5, from £85 to £90 a year. *However, in the light of the* reassessment by the Secretary of State for Transport (Mr Nicholas Ridley) of the wear and tear that various types of vehicle cause to the roads, there will be reductions in duty for the lightest lorries, offset by higher increases for some heavier lorries. All these changed in vehicle *excise duty will take effect from* tomorrow.

However, I propose to exempt from vehicle excise duty all recipients of the war pensioners' mobility supplement. In addition, the existing VAT relief for motor vehicles designed or adapted for use by the handicapped will be extended, and matched by a new car tax relief. The effect will be that neither VAT nor car tax will apply to family cars designed for disabled people or substantially adapted for *their* use.

I now come to the most difficult decision I have to take in the excise duty field. As the House will be aware, the rules of the European Community, so far as alcoholic drinks are concerned, are disigned to prevent a member state from protecting its own domestic product *by imposing a significantly higher* duty on competing imports. In pursuit of this, the Commission has taken a number of countries to the European Court Of Justice.

In our case, the Commission contended that we were protecting beer by under-taxing it in relation to wine, we fought the case, but lost; and I am now implementing the judgment handed down by the court last year.

Accordingly, I propose to increase the duty on beer by the minimum amount needed to comply with the judgment and maintain revenue: 2p on a typical pint of beer, including VAT. At the same time, the duty on table wine will be reduced by the equivalent of about 18p a bottle, again including VAT.

We have thus complied with the Court's judgment. And I am happy *to be able to tell the House that the* Italian Government have, after discussions, given us an undertaking that they will comply with earlier court rulings on discrimination against Scotch whisky.

As for the rest of the alcoholic drinks, cider, which increasingly competes with beer but attracts a lower duty, will go up by 3p a pint. The duties on made-wine will be aligned with those on other wine. And I propose to increase the duty on sparkling wine, fortified wine and spirits by about 10p a bottle, including VAT. All these changes will take effect from midnight tonight.

These changes in excise duties will, all told, bring in some £840m in 1984-85, some £200m more than is required to keep pace with inflation. The addition is of course due to the increase in tobacco duty.

VAT CHANGES

Alterations and takeaways

The remainder of the extra revenue I need to enable me to make a substantial switch this year from taxes on earnings to taxes on spending must come from VAT. I propose no change in the rate of VAT. Instead, I intend to broaden the base of the tax by extending the *15 per cent rate to two areas of* expenditure that have hitherto been zero-rated.

First, alterations to buildings. At present repairs and maintenance are taxed, but alterations are not. The borderline between these two categories is the most confused in the whole field of VAT. I propose to end this confusion and illogicality by bringing all alterations into tax.

I recognize that this will be unwelcome news for the construction industry, but construction will of course *benefit* greatly from the reduction in the rate of stamp duty which I have already announced.

£290m of the cost of that reduction in *1984-85 relates* to transfers of land and buildings, and of that £290m some 90 per cent relates to buildings and building *land*. *Nevertheless*, to allow a reasonable time for existing commitments to be completed or adjusted, the VAT change will be deferred until June 1.

Secondly, food. Most food is zero-rated. But food served in restaurants is taxed, together with a miscellaneous range of items including ice-cream, *confectionery*, soft drinks and crisps, which were brought into tax by Mr Healey. Take-away food clearly competes with other forms of catering, and I therefore intend to bring into tax hot take-away food and drinks, with effect from May 1.

The total effect of the extensions of the VAT coverage which I have proposed will be to increase the *yield of the tax by £375m in 1984-85* and by £650m in a full year.

The total impact effect on the retail price index of the VAT changes and excise duty changes taken together will be less than three-quarters of 1 per cent. This has already been taken into account in the forecast which I have given to *the House of a decline in inflation* to 4½ per cent by the end of the year.

The extra revenue raised in this way will enable me, within the overall framework of a neutral Budget, to lighten the burden of income tax.

INCOME TAX

Thresholds raised

Since we took office in 1979, we have cut the basic rate of income tax *from* 33 per cent to 30 per cent and sharply reduced the confiscatory higher rates inherited from the last Labour Government. We have increased the main tax allowances not simply in line with prices but by around 8 per cent in real terms. It is a good record. But it is not enough. The burden of income tax is still too heavy.

During the lifetime of this Parliament, I intend to carry forward the progess we have already made. For the most part, this will have to wait for future Budgets, particularly since I have thought it right this year to concentrate on setting a new regime of business taxation for the lifetime of a *Parliament* – and beyond. But as a result of the changes of taxes on spending which I have just announced, I can take a further step in this Budget.

I propose to make no change this year in the rates of income tax. So far as the allowances and thresholds are concerned, I must clearly *increase* these by *the* amounts set out in the statutory indexation formula, based on the 5.3 per cent increase in the Retail Price Index to December. The question is how much more I can do, and how to direct it.

I have decided that, this year, the right course is to use every penny I *have in hand within the framework* of a revenue neutral Budget, to lift the level of the basic tax thresholds, for the married and single alike. It makes very little sense to be collecting income tax from people who are at the same time receiving means-tested benefits.

Moreover low tax thresholds worsen the poverty and unemployment traps, so that there is little if any financial incentive to find a better job or even any job at all. There is, alas, no quick or cheap solution to these problems.

But that is all the more reason to make a further move towards solving them now.

I propose to increase the other thresholds in line with the statutory indexation requirement, but by no more. The first higher rate of 40 per cent will apply when taxable income reaches £15,400 a year and the top rate of 60 per cent to taxable income over £38,100. The single age allowance will rise from £2,360 to £2,490 and the married age allowance from £3,755 to £3,955.

For the basic thresholds, statutory indexation would mean putting the single and married allowances up by £100 and £150 respectively. I am glad to say that I can do *considerably better than that*.

I propose to increase the basic thresholds by well over double what is required by indexation. The single person's allowance will be increased by £220, from £1,785 to £2,005, and the married man's allowance, by £360, from £2,795 to £3,155.

This is an increase of around 12½ per cent, or some 7 per cent in real terms. It brings the married man's tax allowance for 1984-85 to its highest level in real terms since the war. It means that the great majority of married couples will enjoy an income tax cut of at least £2 a week.

It also means that a large number *of people, those with the smallest* incomes of all, are taken out of income tax altogether. Some 850,000 people – over 100,000 of them widows – who would have paid tax if thresholds had not been increased, will pay no tax in 1984-85. That is 400,000 more taken out of tax than if the allowances had merely been indexed.

All these changes will take effect *under PAYE on the first pay day* after May 10. Their cost is considerable: some £1.8b in 1984-85, of which roughly half represents the cost of indexation.

This is as far as I can go on income tax this year, within a broadly revenue-neutral budget for 1984-85. But so long as we hold to *our published planned levels* of public spending, there is an excellent prospect of further cuts in income tax in next year's Budget. These would be on top of the measures I have announced in this Budget which, as I have already told the House, will reduce taxation in 1985-86 by well over £1¾ billion, *with business taking the lion's share*.

I have completed the course I charted at the outset this afternoon. I have described the recovery, and how the Government plans to sustain it, and assist the creation of new jobs. I have reaffirmed our commitment to further reductions in inflation, by maintaining sound money and by curbing Government borrowing.

I have embarked on a radical programme of tax reform, abolishing outright two major taxes – the *investment income surcharge and* the National Insurance surcharge. And I have been able to propose measures which will significantly reduce the burden of taxation over *the next two years. I commend this* Budget to the House. (Loud Conservative cheers).

OPPOSITION

Budget for the City

Mr Neil Kinnock, Leader of the Opposition, said they had had the *ominous warning that the policies of* the past five years were going to continue. In those five years they had seen unemployment and under-employment of labour, capital, skills and resources and policies which had resulted in a loss of Britain's world trade share. The policies of cuts and closures, of wasting £400,000m of North Sea oil revenues, of allowances and concessions that have benefited the rich most and no real term concessions to the poor, all these things were going to *continue*.

They had also seen in the past five years the country's income tax burden cut by £1.2b and the national insurance burden increase by £3.4b. These policies, too, would continue.

On that basis, and on the generality of what the Chancellor said, he had to say the Budget did much more for the City of London than it did for the country.

He congratulated the Chancellor on some of the things he had said. Mr Peter Shore last year urged the then Chancellor to raise income tax thresholds and to abolish the national insurance surcharge. Clearly, then, the Opposition commended those steps taken today.

However, they believed the resources available to him should be concentrated and targeted on people of modest and low incomes of £20,000 a year or less.

It was sad that the Chancellor had used resources to give rewards to those who already had them and there might have been a much more efficient way of using the inducements of lower income tax thresholds for people the Prime Minister had been known to call the wealth creators.

The introduction of the now procedure for the collection of VAT was to be commended. Regrettably, the same could not be said for what *he considered to be an indefensible* extension of VAT to takeaway foods. These were not in competition with resteraunts or cafes. The very act of taking away was generally used by people on lower incomes as a way of reducing their food bills.

The construction industry, having *lost 350,000 workers in the last* four years and such a lot of its trade, could not afford to lose any possibility of trade, including home extensions.

The extension of the composite rate from building societies to banks actually damaged the interest of the small saver. It was an absolute evasion for Mr Lawson to suggest that somehow these small savers could be shoved out of the banks and into the national savings *system*.

The abolition of the investment *income surcharge* was an equally partisan act. It was a deliberate act in favour of those who needed no further assistance of this kind. The threshold at which that surcharge became payable was in excess of £7,000 a year.

The reduction in capital transfer tax and capital gains tax contributed *nothing to the general welfare or* production of society.

It had a particularly damaging potential in a country which needed to be stimulating investment in companies as much as it could. It was folly to take the gamble of reducin capital allowances or any of the other allowances made in order to *induce people to increase* investment in building or machinery.

They were told it was supposed to be a broadly neutral Budget. It *might be in general revenue terms it* would turn out to be a broadly neutral Budget.

But the phrase "a broadly neutral Budget" had an air of benevolent inactivity about it. It conveyed the idea that if a Budget was not actually going to do any good at least it would not do too much *harm*.

The problem was, for the effects of an allegedly neutral Budget to be truely neutral, the country and its people must begin from a standard *of equitiy, a parity of treatment and* justice, and equal opportunity.

Obviously the people of the country did not begin from that standard. A Budget that relieved the rich of obligations while maintaining the obligations of the modestly well-off and the poor was not a neutral Budget.

What they had witnessed in the last five years was not neutral. What they had heard from Mr Lawson was not neutrality. It was a conspiracy against the basic interests of the British people, *their* needs for development, expansion, employment, care and opportunity.

They were told Mrs Thatcher was batting for Britain. He believed Mr Lawson was battering Britain.

Britain had a slower inflation rate not because of any effective action of the Government. It was similar to the fall in inflation of all the other members of the OECD.

There was a slight improvement on the general OECD average. The price they had paid for that half or *one per cent margin* was a massive contraction on capacity to produce, compete, invest and employ.

They were told there was a great recovery: a recovery that could only be encouraged by these kind of measures. That was rubbish. What they had was a recovery that owed more to the date of the last election than to any stimulus it had given to the economy.

The so-called recovery had come only from an extension of borrowing and an increase in credit from a *Government which was headed by a* woman who repeately stated that borrowing was an activity which had descended directly as one of the devil's works.

The Prime Minister had said she would help the middle managers, but what was there in the Budget for them? Only those earning over £20,000 had benefited in the past five years from tax reduction, though there might be a few more added to that by the shifting of the threshold in the present Budget.

There was supposed to have been a great army that was waiting with pent up energy to be released by the Conservative Government that was to raise the burden of taxation from them. But it was those and not those earning more than £20,000, that had been paying more.

Then there were the people who *were said to be wealth creators*. There had certainly been enough concessions, reliefs, bonuses and inducements handed to them in successive Budgets, but they had not rewarded the Government's faith or the country's hopes by doing anything to help the continuing prosperity of the country. Indeed, they were the people who had taken the decision to shift £10,000m worth of investment capital out of the country.

These were also the people who *had presided over the collapse of* manufacturing investment. The Government had been wrong to place its trust in the very rich.

When did the Government expect to get production back to a stable and steady growth rate of 3 per cent a year? When did it expect to get back the 1,600,000 manufacturing jobs and the 700,000 service and construction jobs that had been lost during its period of office?

When did it expect to restore investment to its 1979 level? When *would it ensure that Britain* once again sold more manufacturing goods to the rest of the world than it imported? When would the share of world trade return to the 1979 level?

These questions demanded answers from a Government that had brought many parts of the country over the lip of ruin.

Sir Kenneth Lewis said he welcomed the abolition of national insurance surcharge as it had always been a bad tax which cost jobs.

He also agreed with taking away *investment income surcharge* because it was a tax on comparatively modest savings.

The changes in VAT so that it covered takeway food did away with a rather stupid anomaly. But the best act of the Budget on VAT was to change the rules so that importors into Britain had to pay the same as British exporters.

There certainly is (he said) a great need for a get-together between the two terrible twins Mr Lawson and Mr Tebbit because what this country is suffering from is a sucking in of imports destroying our manufacturing base. We can no longer countenance playing by the rules when other countries do not.

He commended Mr Lawson for an imaginative, realistic Budget which was both fair and one which he could build on in the future.

Mr Ian Wrigglesworth (Stockton South, SDP) said the SDP was disappointed with the growth and macro-economic aspects of the Budget, because although it would *probably become known as the beer*, chips and baccy Budget, it contained little hope for the unemployed that they would get a job.

The recovery was not firm and of great strength but slender and weak, requiring nurture and strengthening by Government actions.

It was unlikely that the consumer boom would continue. The Chancellor got low marks on economic policy.

Kinnock's verdict: The Leader of the Opposition, Mr Neil Kinnock, making his first Budget speech since becoming Leader of the Opposition, considered the Budget did much more for the City of London than it did for the country. They were told the Prime Minister was batting for Britain. He declared: "I believe the Chancellor is battering Britain."

Royal Assent

The following Acts received Royal Assent: Consolidated Fund; Restrictive Trade Practices (Stock *Exchange*); Occupier Liability; Tourism (Overseas Promotion) (Scotland); Merchant Shipping; Education (Amendment) (Scotland); and Pensions Commutation.

Parliament today

Commons (2.30): Continuation of the Budget debate. **Lords** (2.30): Debate on further and higher education.

Tax relief

Chancellor abolishes concession of life insurance premiums

By Johnathan Clare

The Chancellor of the Exchequer yesterday abolished income tax relief on life insurance premiums, a move which has removed a concession which has existed since 1853.

The removal of tax relief will herald a return by the life insurance companies to traditional protection policies rather than investment schemes. But the expected adverse effect on the companies' ability to market their policies without attractive tax benefits is unlikely to have any significant effect on the companies profitability.

The Chancellor's move will abolish the 15 per cent tax relief available on most life insurance policies where premiums do not exceed £1,500 or one-sixth of a person's income. It will not affect existing policies. The removal of tax relief will also affect endowment mortgages.

The Chancellor also intends to plug a loophole in the "roll over" provision in the Taxes Act, 1970, which allowed high rate tax payers to take profits from life insurance policies without a tax liability. During the last few weeks two companies had marketed life insurance packages designed to exploit this defect.

The change was universally condemned yesterday by the life insurance industry, which will be forced to rethink its marketing strategies.

The Chancellor may believe that people will invest in shares instead but the likelihood is that savers will become more conservative because they will have to rely on their own judgment rather than a professional investment manager.

The decision could be counter-productive for the Government because life insurance companies buy long-term gilts. If the insurance companies raise less money, the Government may find it difficult to fund its spending unless it offers very attractive terms.

The life companies' premium income will inevitably fall off until the industry develops new marketing methods.

The removal of tax relief will affect the consumer more than the companies, although it will substantially cut the flow of new business in the short term. However, Dr John Ginarlis of the stockbrokers Quilter Goodison, said that Australian experience had showed a fall in new strategies were changed. "Tax relief is not the only reason for buying life insurance", Dr Ginarlis said.

The affects on dividends paid by the quoted companies will be negligible, even with a very substantial fall in new business. Changes in the level of new business achieved by the life companies takes many years before it affects profitability or the ability to pay dividends, by which time new types of policy will have been developed.

The removal of tax relief will remove one of the marketing edges for endowment mortages, which have become big business for the life companies since the introduction of Mortgage Interest Relief at Source *(MIRAS)*.

The absence of relief could increase the cost of a typical 25-year endowment mortgage by £4.25 to £165.25 per month.

Tax relief on life assurance was introduced by William Pitt the Younger in 1799, along with income tax, to help pay for the war with France. Both were scrapped after the Napoleonic wars in 1816.

Income Tax was reintroduced in 1842 by Robert Peel but relief on premiums did not return until 1853. Like income tax it has been a feature of financial life ever since.

Composite tax

Banks dismayed by inclusion in system

By Peter Wilson-Smith, Banking Correspondent

The Chancellor dismayed the banking community by confirming the Government's decision to extend the composite rate tax system to the banks by forcing them to deduct tax from interest payments.

The Committee of London Clearing Bankers reacted with predictable anger, accusing Mr Lawson of robbing the poor to benefit the rich.

"At least three million bank customers who are non-taxpayers will in future pay tax at around 25 per cent on their savings interest."

The decision, to take effect from April 1985, brings banks into line with building societies, which can only pay interest after deducting tax.

The composite rate for banks will not apply to non-residents or to corporate bodies. Certificates of deposit and time deposits of £50,000 or more will also be excluded.

The Chancellor conceded that the composite rate system could have disadvantages to non-taxpayers, but said the advantages outweighed them. It was much simpler for customers and would save about ,000 Inland Revenue staff.

The banks have long argued that the composite rate system gave building societies an unfair advantage and should be abolished – not extended to them.

They are particularly angry that National Savings will still be allowed to pay interest without deducting tax.

The decision poses many problems for the banking industry.

Bankers still grumble about the problems in implementing the Miras system (mortgage interest relief at source) for mortgage payments and introducing a composite rate system will be much more difficult. The banks face a huge amount of extra work in reprogramming their computers and making the necessary internal changes to administer the scheme.

Some bankers fear that they will have to abandon other projects to gear up for the change which will, in effect, involve them in collecting tax on behalf of the Inland Revenue.

The implications for the savings market are potentially much more critical for the banks. When interest rates are relatively low it is very difficult for the banks with their unweildy branch networks and cost structures to compete with the building societies for personal savings. Over the past year, the banks have suffered particularly badly as building societies bid up the rates paid to savers to satisfy the seemingly endless demand for mortgage finance.

Having to pay interest net will make the banks' seven-day deposits look even less attractive to investors compared with what is on offer elsewhere and will force the banks to compete more vigorously in the market for personal savings.

Bonds

Parity with gilt-edged securities

By Ian Griffiths

The Chancellor has sprung a surprise in his treatment of bonds. Corporate bonds will in future be exempt from capital gains tax to being the treatment in line with that afforded to holders of gilt-edged securities.

He has also introduced some of the measures from the 1983 Budget which had to be dropped because of the General Election last year.

These included provisions on Eurobond interest which will permit companies to pay interest on bearer bonds without deduction of tax if the bonds are quoted on a recognized Stock Exchange in the UK. If the bonds are quoted overseas the interest must be paid to an overseas paying agent or paid through a UK paying agent where the beneficial owner is a UK resident or where the bond is held in a recognized clearing system.

The rules governing relief for interest will be amended to allow companies to obtain relief for interest paid gross. The proposals on deep discounted bonds have also been restored.

The new rules will apply to stock issued at a deep discount (the difference between the issue price and that payable on redemption) where the discount is more than 0.5 per cent a year over the life of the stock, or more than 15 per cent overall.

The discount will be treated as income in the hands of the bondholder but will accrue over the life of the stock.

The new legislation will apply to bonds issued at a discount after yesterday's Budget.

Also reintroduced is the proposal on acceptance credits. Where a trading company raises short-term finance by means of *bills of exchange* accepted by a bank the discount it suffers on the bills was allowed as a trading expense. The Finance Bill will contain a clause to extend the relief to cover certain cases where it is not already available – for example where the company is an investment company raising finance for its trading subsidiaries. Relief will also be given for the incidental costs of raising such finance. The relief will be backdated to April 1, 1983.

Oil tax

Boost for the North Sea

By David Young, Energy Correspondent

The tax concession to encourage enhanced oil recovery techiques will be announced next year after a study by the Department of Energy. But it will be backdated to yesterday in order to prevent the delay of new schemes being planned by the oil companies until the tax concessions are announced.

The Chancellor, aware of the oil industry's demands from his days as Energy Secretary, has given the industry the necessary tax encouragement for programmes to boost oil recovery from the North Sea.

The industry now admits that last year's Budget gave more than they had realistically hoped and therefore kept representations this year to achievable levels.

There had been fears in some quarters that the Chancellor would "claw back" some concessions made last year on exploration.

Tax havens

Renewed threat to controlled foreign firms

By Ian Griffiths

Action to clamp down on tax havens has been expected for some time. The Inland Revenue made its intentions clear as long ago as 1981.

Many groups which operate legitimate businesses overseas will still feel aggrieved that they will be taxed on profits earned abroad by companies which they regard as non-resident.

The legislation will add substantially to administration costs and, at a time when exchange rates still fluctuate wildly, it provides yet another layer of complexity with which the corporate treasurer has to cope.

Controversial action to change the taxation of controlled foreign companies has been reintroduced by the Chancellor. Many firms could find that overseas companies in which they have an interest could be subject to UK corporation tax.

Development areas

Allowance exemption to benefit Nissan project

By Edward Townsend, Industrial Correspondent

The exemption of development areas from the phased withdrawal of first-year capital allownaces is to prevent some large projects being abandoned.

Without the package of assistance, including capital allowances – available to all developments in unemployment blackspots and deprived areas many companies would have second thoughts.

The Chancellor's transitional arrangements, however, allow companies offered selective financial assistance under the Industry Act, as well as regional development grants, to receive first-year allowances at the previous rate.

One key investment to which the exemption could apply is Nissan's plan to build a car factory. The project, involving an investment of £350m, will attract more than £100m in state aid.

The exemption covers the expediture to which selective assistance applies, and covers projects on which offers were made between April 1, 1980 and yesterday.

It follows the White Paper presented to Parliament in December by Mr Norman Tebbit, Secretary of State for Trade and Industry, outlining widespread reforms of regional policy, including a shift away from automatic regional grants to greater selective aid. Mr Tebbit said that regional grants would continue to be paid to companies offered selective assistance.

Clearly, some projects not offered selective aid could be adversely affected by the changes, but the department said that the vast majority would benefit from the package and reduction in corporation tax.

Taking account of the abolition of the national insurance surcharge, the effect on business cash flow is likely to be positive in the first two years. The department said: "It is in businesses' interests to move as soon as possible to the much lower rate of corporation tax".

Collecting VAT on imports could worsen delays at ports such as Dover. There will also be increased traffic before the measure takes effect.

VAT on imports

Period of grace is ended

By Jeremy Warner

A big change in the way value added tax is collected on imports – which business leaders fear could add £1.5 billion to their yearly tax bills – was announced in the Budget.

The Government has decided *to end the 11-week period of* grace that importers get before they have to pay VAT. This will bring them into line with British-produced goods where VAT becomes payable one month after something is purchased.

The cost to business of charging VAT as soon as the goods are imported rather than 11 weeks later will be high since businesses will face extra *financing* costs in paying their bills earlier.

The issue has been hotly *debated both within the Confed*eration of British Industry and the National Economic Development Council in recent months. The favoured solution was that the 11-week period of grace should have been extended to domestic buyers as well but the cost to the Exchequer of such a move would have been immense.

There is an inbuilt bias against *buying* British in the present system, the exponents of change have argued. But the CBI points out that the British *economy is heavily dependent* on imports. Sir Terence Beckett, its director general, has been quoted as saying: "At a time when we are facing severe *international competitive* pressures, the cost burdens on companies should be reduced, not increased".

National Insurance Surcharge

'Pernicious tax on jobs' abolished

By Edward Townsend, Industrial Correspondent

The abolition of the National Insurance Surcharge in October will mark the end of a three-year battle, spearheaded by the Confederation of British Industry, to eradicate what has been unanimously condemned throughout business and commerce as an indefensible tax.

However, many industry leaders feared that they would have to wait, possibly until the end of next year, for abolition.

The CBI, while still calling for the death of what the Prime Minister considers to be the "pernicious tax on jobs", gave it a lower priority than a general stimulus to capital investment in its pre-Budget proposals. Moreover, the Institute of Directors preferred wide-ranging cuts in income tax to the ending of the NIS.

However, it is clear that businessmen made a good case for the eradiction of the NIS and, after the 2.5 per cent cut made by the Conservatives, it will now be only seven months until the final 1 per cent disappears.

The NIS is now seven years old, having been introduced in 1977 by Labour's Mr Denis Healey, then Chancellor, as part of his emergency package to prop up the pound. It rose to 3.5 per cent, but has been reduced progressively since 1982.

There had been fears that a lower NIS would prompt bigger wage rises, but last year the CBI said that two-thirds of previous cuts had been used to reduce prices and increase competitiveness in the face of low-cost imports.

In its Budget submissions, the CBI said abolition of the NIS was the most immediate way of helping competitiveness without fuelling inflation. It added: "This surcharge holds back business competitiveness, squeezes profits and thus discourages provision for the future, adds to prices and discourages employment".

The CBI estimated the cost of abolition for 1984-85 at £900m. The full-year cost was put at £1,000m, assuming that the savings on the sums paid by central and local government on its own employees were clawed back.

The NIS cost employers £1,670m in 1983-84 on top of their national insurance contributions of £10,310m. Employees' national insurance contributions in 1983-84 were £9,210m and will rise this year to £9,880m.

Business as usual: The structure of aid for small businesses remains largely untouched.

Small businesses

Farms lose tax support

By Andrew Cornelius

The Chancellor proposed no fundamental changes to the existing framework of small business aid schemes, apart from taking the widely expected step of excluding farming from the business expansion scheme.

The scheme was introduced in last year's Budget to encourage investors to put money into unquoted companies for a five-year period. It offers tax relief at full marginal rates for individuals investing up to £40,000 year in companies which qualifly for support.

Most trades are eligible, except those connected with dealing in land, shares and commodities, leasing, banking, insurance and financial services. The Government proposes to add farming to the list of excluded trades, because the scheme was intended to encourage investment in high-risk businesses and farming is not one.

Apart from this minor change, the Government plans to let the scheme settle down for a while before making any further adjustments.

The Chancelor was also under pressure to extend the Loan Guarantee Scheme, which guarantees that banks get back 80 per cent of any loans made to small firms entering the scheme which fail.

The present scheme expires in May and the small business lobby was looking for it to be extended. No mention of this was nade in the Budget speech and it now seems likely that a discussion paper on the future of the scheme will be published before the May deadline.

Land tax

Exemption limit raised

By Adrienne Gleeson

The first £75,000 of the development value of land realized within a financial year will be exempt from development land tax from April 1, under the Budget proposals. The exemption applies at the moment only to the first £50,000.

When the development is undertaken for the landowner's own use, liability for the tax can be deferred. Previously the deferral applied only to developments which are started before April 1, 1984, but the deadlines has now been abandoned. Liability which has been deferred normally becomes payable when the property ceases to be used for the qualifying purpose. Under the Budget proposals, however, if the tax has not become payable within 12 years of the start of the development, the contingent liability will be wiped out.

Two other clauses have, as forecast, been resurrected in the latest proposals. Development land tax may, in future, be paid in 10 annual instalments, rather than 8, but the facility for making half-yearly payments is being withdrawn. The machinery for collecting the tax when land in the UK is sold by a non-resident owner is to be improved.

Corporate taxation

Substantial reform includes cut in capital allowances

By Ian Griffiths

The Chancellor has instructed one of the most substantial reforms of corporate taxation which the business community has seen for some time. It includes a cut in capital allowances, abolition of stock relief and a phased reduction in basic rate corporation tax.

The aim of the business tax package is to reduce the bite on profits, lower the tax subsidy given to certain types of investment, thereby reducing the distortions which are an incentive to wasteful investment, and shift corporate finance from borrowing towards equity.

Corporation tax, at present 52 per cent, will be cut to 50 per cent for the 1983 financial year and will be reduced in 5 per cent stages to reach 35 per cent in 1986.

This will cut the difference between corporate and personal mainstream, tax charges to only 5 per cent and will mean that most companies which pay dividends will cover the bulk of their tax bill through advance corporation tax payments.

The small companies rate of corporation tax which affects those companies with pretax profits of £100,000 or less each year is to be cut from 38 per cent to 30 per cent of profits. The new rate of tax will take effect from the 1983 tax year and will be fixed at the new 30 per cent rate for 1984, 1985 and 1986.

For those companies whose profits fall between £100,000 each year and the £500,000 profits level at which full rate corporation tax is due, the tax charged on a company's income is reduced by a fraction of the difference between £500,000 and the company's profits.

The Chancellor proposes that this fraction will change from 7/200 at present to 1/20 in 1983; 3/80 in 1984; 1/40 in 1985; and 1/80 in 1986.

The phasing out of capital allowances will come as a blow to many manufacturing companies, although the transitional arrangements will encourage a flood of investment in the next 12 months.

The 100 per cent first year allowances are to go and any expenditure incurred after today will receive only a 75 per cent allowance. Expenditure incurred on or after April 1, 1985, will get a 50 per cent allowance, reducing to nil after April 1, 1986.

The annual writing-down allowance which is given on the residue of expenditure not relieved by the first year allowance remains at 25 per cent on a reducing basis.

There is an exemption for binding contracts entered into before Budget day where the 100 per cent first year allowance will be retained provided the expenditure is incurred before April 1, 1987.

The Chancellor also announced the phasing out of industrial buildings allowances. The initial allowance was 75 per cent but for expediture incurred after today will be reduced to 50 per cent. This will be cut to 25 per cent from April 1, 1985, and will disappear from April 1, 1986.

After the changes have been implemented the main rate of corporation tax will be lower in Britain than in most main competitor countries. The treatment of capital allowances, despite the cut, will still compare favourably.

The measures which directly affect business will reduce the tax burden by about £900m over the next two years.

Although manufacturing industry is bound to suffer in the short term, the Government sees profitable investment as being crucial to economic success. One of the problems with the capital allowances system has beem that companies have channelled investment into assets which produce a lower rate of return than might be acieved elsewhete.

The system has tended to distort the appraisal of returns and in some cases may have contributed to the low return on investment which has often been experienced.



First-year allowance move hits clearing banks

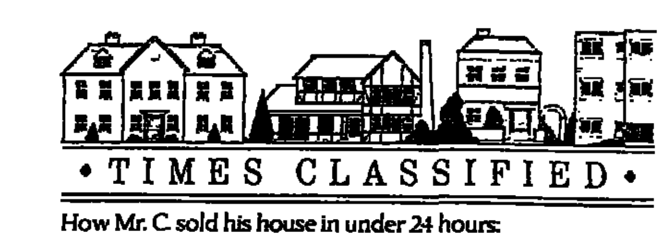
By Peter Wilson-Smith, Banking Correspondent

The decision to phase out first-year allowances is likely to have a serious impact on the £3b a year leasing industry.

It will also hit the big clearing banks which have used leasing as a way of sheltering tax and deferring the tax payments they make to the Exchequer. The leasing subsidiaries of the big four clearing banks account for about two-thirds of the leasing market.

A spokesman for the Committee of London Clearing Bankers said yesterday that the changes in capital allowances "will considerably reduce the scope for leasing in the long run". However the committee said the banks would not be unduly worried because they passed on the majority of the benefits to their industrial customers.

The leasing industry has grown dramatically, from £288m in 1973 to about £3b last year, when it accounted for about 13 per cent of industrial investment. Companies have turned to leasing when profitability is poor and they cannot make use of the tax allowance on new investment directly.



Prospects for the economy

Medium-term drive aims at cutting inflation to 3%

A new five-year medium term financial strategy, designed *to achieve a reduction of inflation to 3 per cent by 1988-89*, is the centrepiece of this year's Financial Statement and Budget Report (the Red Book), which also paints a cheerful picture of the *economic outlook*.

● The Treasury expects growth this year of a little over 3 per cent, slightly higher than it forecast last autumn, with consumer spending, investment and exports all more buoyant than previously predicted. But the economy is expected to expand more slowly, by 2.5 per cent, in the year to mid-1985.

● Inflation is expected to fall steadily from a little above 5 per cent now to 4.5 per cent by the end of 1984 – unchanged from the Treasury's autumn forecast – and 4 per cent by mid-1985.

● People's incomes, buoyed by the income tax cuts announced in the Budget, are likely to rise by 3 per cent this year. *Employment is expected to grow but higher numbers of* people looking for work means this may not translate into a lower level of jobless.

● The current account of the balance of payments is projected to run a surplus of £2 billion this year, the same as last year, falling to £1 billion at an annual rate in the first half of 1985. Last autumn the Treasury forecast the elimination of the payments surplus this year, but the strengthening world economy should boost exports.

● The medium term financial strategy envisages *declining* money and public borrowing targets over the five years to 1988-89. Instead of a common target for the three money measures, *M1, sterling M3 and PSL2, the Chancellor* has decided to target a new measure of narrow money, Mo (mostly notes and coin) and retain sterling M3 as the sole *target measure of broad money*. The target range for Mo falls steadily from 4-8 per cent in 1984-85 to 0-4 per cent in 1988-89; that for £M3 from 6 -10 per cent (from 7-11 per *cent in 1983-84) to 2-6 per cent in 1988-89.*

● Public sector borrowing is projected to fall to £7.25 billion or 2.25 per cent of national output in 1984-85 from *£10 billion* (3. 25 per cent) in 1983-84. In subsequent years a constant £7 billion PSBR represents a declining proportion of output, edging down to 1.75 per cent in 1988-89.

● *The strategy builds in room for big tax cuts worth £10* billion in later years by 1988-89. This would be enough to cut the basic rate of income tax by 10p to 20p in the pound. *It assumes economic growth of 2.25 per cent annually over* the next five years.

● North Sea oil revenues are forecast to peak in 1984-85 at *£10 billion and then fall gradually to £9 billion by 1988-89.* Both the short-term forecasts and the medium term strategy assume "no major change" in sterling's effective exchange *rate from the 1983 average of 83.3 (1975=100).*

Inflation has come down to levels not experienced in the *United Kingdom since the* 1960s. There has been a steady recovery in output for almost three years. The aim over the medium term is to continue reducing inflation and to build on recent improvements in the *performance of the economy.* The Government therefore intends to continue with present policies. The medium-term financial strategy sets out the framework within which policy operates.

Firm financial *policies* are the essence of the strategy. This entails control of monetary growth and public sector borrowing. In order to reduce inflation further, the Government intends to continue reducing rates *of monetary* growth.

Fiscal policy is designed to be consistent with the monetary framework and the Government's objectives for inflation. Falling monetary growth and inflation require a *further* reduction in the PSBR as a share of g.d.p., to permit interest rates to fall in nominal and real terms.

Lower cost and price inflation within a given financial *framework makes room* for faster growth of output and employment. The reduction in inflation achieved so far has been an important factor in the strong growth of output the UK is now experienceng, ahead of other European countries. The continuing low rate of inflation indicated by the MTFS will also *provide* the *macro-economic* environment for a sustained improvement in the supply side of the economy, towards which the Government's micro-economic policies are directed.

Further improvements in productivity and moderation in pay will lead to higher levels of output and employment. In spite of recent improvements, there is still a substantial gap between the level of productivity in the UK and that in other major industrial countries. The Government will continue to encourage enterprise, *dfficiency and flexibility* by increasing incentives, promoting competition, improving the working of markets, and pressing ahead with privatization.

Monetary conditions have been broadly consistent with the objectives indicated last year. Of the three target aggregates, £M3 has grown well within the 7-11 per cent target range in the year to mid-February, and the growth of M1 has been at the top of the range. Although the growth of PSL2 has been above the top end, *since the summer* its growth too has been within the range. Other evidence, including the behaviour of narrower measures of money, also supports the view that conditions have been satisfactory.

The effective exchange rate has remained broadly flat. Nominal short and long term *interest rates have* continued to fall from their peak in 1980-81, after a short interruption at the end of 1982; but with inflation lower too, real rates remain fairly high.

Targets

The Government will continue to pay attention to both broad and narrow measures of money. In the past two years, differences in the behaviour of *M1 and the broad aggregates* were not expected to be very large, which is why in the last two versions of the MTFS they could be encompassed within the same target range. But in general, separate target ranges *for broad and narrow money* are more appropriate, particularly as the period of the MTFS is extended.

As in previous versions of the MTFS, the monetary ranges give a broad indication of the objectives of monetary policy for a number of years. But the ranges for 1984-85 are targets. The target for broad money is 6-10 *per cent, the range indicated* in last year's Financial Statement. The target for narrow money in 1984-85 will be 4-8 per cent. As in previous years, the 1984-85 targets apply to the annual rate of growth over the *14 months beginning in mid-*February 1984.

Revenue growth

Illustrative ranges for the following four years are shown in table. Targets for the later years will be decided nearer the time.

Broad and narrow money will have equal importance in the assessment of monetary conditions and interest rates. As in *the past the* authorities will take into account all the available evidence, including the exchange rate.

In the past three years, the PSBR has been significantly lower than in 1979-80 and *1980-81. It has averaged less than* 3½ per cent of money gdp compared with over 5 per cent in the earlier years. This has been consistent with recovery in the real economy mainly because of the reduction in *inflation and interest rates.* Expenditure by both companies and households has risen as a result. In the case of households there has been an associated fall in the savings ratio.

The PSBR in 1983-84 is now forecast *at £10 billion, equivelent* to 3¼ per cent gdp. This is as forecast in the Autumn Statement, but nearly £2 billion higher than expected at the time of the 1983 Budget. Local authority borrowing seems to have been running much higher than expected, and central government expenditure, particularly on non-cash-limited programmes, *has exceeded last* year's forecasts.

The growth of government revenues in cash terms over the medium term will depend on the growth of incomes, spending and prices, as well as policy decisions. General government receipts are projectred to rise by about 34 per cent between 1983-84 and 1988-89, a little less than the growth in total money GDP Government revenue from the North Sea is expected to fall in both real and nominal terms after 1984-85 as North Sea output falls, but this is more than offset by rising revenues from the growing non-North Sea economy.

The PSBR for 1984-85 is forecast to be £7¼ billion, equivalent to to 2¼ per cent of GDP slightly below the figure assumed a year ago and in the Autumn Statement. The fiscal projections show further small reductions in the PSBR as a proportion of GDP in subsequent years, to 1¾ per cent in 1987-88 and 1988-89. The figures after *1984-85* are illustrative, and decisions about the appropriate PSBR in paricular years will be taken nearer the time.

For the period to 1986-87, the fiscal projections are based on the public expenditure plans ahown in the Public Expenditure White Paper, updated where necessary to take account of Budget measures. For 1987-88 and 1988-89, no public expenditure decisions have yet to be taken and the projections assume that the public expenditure planning total remains unchanged in real terms. Similarly, no decisions on asset sales in 1987-88 and 1988-89 have been taken.







Budget team: (from left) Mr Geoffrey Littler, Second Permanent Secretary, Overseas Finance; Mr Adam Ridley political advisor; Mr Ian Byatt, Deputy Chief Economic adviser to the Treasury, Mr Alan Bailey, Second Permanent Secretary, Public Finance and Sir Terence Burns, Chief Economic Adviser to the Treasury.







Behind the Budget: (from left) Mr Peter Rees, Chief Secretary to the Treasury; Mr Barney Heyhoe, Minister of State, Civil Service; Mr John Moore, Financial Secretary to the Treasury; Mr Ian Stewart, Economic Secretary to the Treasury and Sir Peter Middleton, Permanent Secretary to the Treasury.

Last month's Public Expenditure White Paper set out in detail the Government's plans on the level and make-up of public spending to *1986-87*. These plans mean that public expenditure shoud remain broadly level in real terms for the next three years.

Borrowing

The level of nominal g.d.p. in 1983-84 is estimated to have been about 2½ per cent higher than expected a year ago, mainly reflecting revisions to figures for previous year. *Growth* of money g.d.p. *in* 1984-85 and 1985-86 is now projected to be a little lower than assumed last year, reflecting lower inflation. the projected PSBR is ¼ per cent lower as a proportion of g.d.p. in 1984-85, and unchanged in 1985-86.

In 1984-85 and 1985-86 no *shortfall is now expected on the* public expenditure planning total, which is virtually unchanged from the last year. In both years debt interest payments are expected to be somewhat higher than previously estimated, and this is reflected in higher general government expenditure.

The projection of general government receipts takes account of the Budget measures. In 1984-85 taxreceipts are expected to be about £1½ billion higher. This is the result of the Budget measures, estimating changes and North Sea revenues, which are now projected to be £2 billion higher as a result of higher production and sterling oil prices. The projection of tax receipts in 1985-86 is about £1½ billion lower than a year ago, *due mainly to budget* measures.

Conclusion

To achieve the ultimate objective of stable prices with lower *interest rates*, the declining trend in monetary growth and public borrowing will need to be maintained beyond the MTFS period. And to bring about progressive reductions in taxation at the same time, the *expenditure has to remain* under tight control.



Growth prospects for mid-1985

Activity in total has been rising since the first half of 1981. The 3 per cent growth rate estimated for *1983* was sufficient to bring about some recovery in employment but *not so far a fall in unemployment.* There was a further fall in inflation and rise in profitability in 1983, despite slightly faster growth in import prices.

Inflation rates have again fallen more quickly than generally expected. Competitive pressure at home and abroad have continued to exert a strong downward influence on prices and costs. A slow downward trend in British inflation is expected, with RPI growth forecast at 4½ per cent at the end of 1984 and 4 per cent by mid-1985.

The growth in GDP is forecast to continue at 3 per cent in 1984, with growth of exports and company spending, especially fixed investment, outpacing a further rise in consumer spending. The growth *in domestic demand reflects* mainly rises in real income for both persons and companies. Employment should continue to rise.

Output is now rising again in the main industrialized countries, *led by the US. In many* developing countries, rises in export volumes and commodity prices and earlier cutbacks in imports have helped to ease financing problems. For the world economy as a whole, a period of growth in activity combined with rising profits and no more than moderate inflation is in prospect.

Public Sector Expenditure, Receipts and Borrowing, 1983–84 to 1993–94

(percent of GDP at market prices)

	1983–84 est.	1984–85	1988–89	1993–94
1. Public expenditure planning total	39¾	38½	35¼	34½(¹)
2. Net debt interest	3½	3¼	2½	1¾
3. North Sea revenues	3	3	2¼	1½
4. Non-North Sea taxes	36	35¾	33½	33¼(¹)
5. Other net receipts	1	¾	½	½
6. PSBR (1+2-3-4-5)	3¼	2¼	1¾	1

(¹)Assumes that GDP grows at 1½ per cent a year between 1988–89 and 1993–94 and public expenditure at 1 per cent. Alternative assumptions would yield the following figures:

	Public expenditure growth = 1%, GDP growth = 1½%	Public expenditure growth = 1%, GDP growth = 2%	Public expenditure growth = zero, GDP growth = 1½%	Public expenditure growth = zero, GDP growth = 2%
Public expenditure planning total	34¼	33¾	32¾	32
Non-North Sea taxes	33¼	32¼	31½	30¾

Short-term Economic Prospects

	Forecasts	Average errors from past forecasts*
A. Output and expenditure at constant 1980 prices		
Per cent changes between 1983 and 1984:		
Gross domestic product (at factor cost)	3	1
Consumers' expenditure	3	1
General Government consumption	—	1½
Fixed investment	6½	2½
Exports of goods and services	5	2½
Imports of goods and services	7	2½
Change in stockbuilding (as per cent of level of GDP)	½	¾
B. Balance of Payments on current account		
£ billion:		
1983	2	—
1984	2	2½
1985 first half (at an annual rate)	1	4
C. Public Sector Borrowing Requirement		
£ billion (in brackets per cent of GDP at market prices):		
Financial year 1983–84	10 (3¼)	1 (¼)
Financial year 1984–85	7¼ (2¼)	4¼ (1½)
D. Retail Prices Index		
Per cent change:		
Fourth quarter 1983 to fourth quarter 1984	4½	2
Second quarter 1984 to second quarter 1985	4	4

World Economy

Per cent changes on a year earlier

	Average 1975–82	1982	1983	1984	1985 First half
GNP*	3	−½	2	4	3½
Prices* (consumers' expenditure deflator)	7½	6½	5	4½	4½
World trade in manufactures (weighted by UK markets)	4	−3	1	5	4½

* Major 6 overseas countries (US, Japan, Germany, France, Italy, Canada).

Public Sector Borrowing

£ billion, cash

	1982–83	1983–84	1984–85	1985–86	1986–87	1987–88	1988–89
General government expenditure	132·4	139	146	152	157½	161½	166
General government *receipts*	122·1	128½	138½	146½	156½	164½	172
Fiscal adjustments from previous years	—	—	—	—	2	6½	10
Annual fiscal adjustment	—	—	—	2	4½	3½	3½
GGBR	10·3	10½	8	7½	8	7	7
Public corporations market and overseas borrowing	−1·1	−½	−½	−½	−1	—	—
PSBR	9·2	10	7	7	7	7	7
as % of GDP	3·3	3¼	2¼	2	2	1¾	1¾
Money GDP at market prices	281	304	328	350	371	392	412

Ranges for Monetary Growth

Per cent change during year

	1984–85	1985–86	1986–87	1987–88	1988–89
Narrow money—M0(¹)	4–8	3–7	2–6	1–5	0–4
Broad money—£M3(²)	6–10	5–9	4–8	3–7	2–6

(¹) Weekly averaged series.
(²) New definition: excluding public sector deposits.

With the UK economy and other major economies expected to expand together, and with no major changes forecast for commodity prices, the balance of payments should *remain in surplus. A growing* contribution is expected from trade in services and from income accruing from the build-up of overseas assets.

The rapid recovery of the US economy has slowed a little but there is increasing evidence of an upturn in Japan and Europe. Inflation remains low, above all in the US, Germany and Japan. A fall in Opec imports depressed world trade last year in spite of large rises in imports into North America. But by the second half of 1983 total world imports may have been 4 per *cent higher than a year earlier.*

Output growth in the US at the end of 1983, though less than in the previous half-year, was sufficient to keep unemployment falling. In Europe output was increasing by the end of last year, after two years of stagnation, but unemployment is still rising. The US recovery is expected to moderate while the European recovery should strengthen. Growth in the developed world as a whole may average 3-4 per cent in 1984 and the first half of 1985.

Reductions in imports by non-oil developing countries seem largely to have ended by early last year. Improvements *in export revenues helped by* higher prices of many commodities should allow some recovery in imports. In Opec countries, however, the falls in both price and volume of oil exports reduced income further *and led to a large drop in* imports in 1983. With export revenues likely to remain low, import growth is likely to be slow over the next year or so.

The exchange rate and the balance of payments: For the purpose of this forecast it is assumed that the effective exchange rate will be near to its *average last year. The prospect* for inflation, which takes account of this assumption about the exchange rate, suggests that over the forecast period there will not be any substantial difference between *inflation rates in Britain and in* the average of our major competitors. On this basis cost and price measures of competitiveness may change little over the forecast period following the recovery that occurred in 1982 *and 1983.*

Prospects for export growth depend mainly on continued growth in world trade in manufactures, which may be of the order of 5 per cent this year. In addition, the re·overy in price and cost competitiveness in 1982 and 1983 may contribute a little to the growth in exports. Recent indicators of an improved trend include recent trade figures – exports of goods in the three months to January were 5.5 per cent higher by volume than in the preceeding three months – and the CBI surveys indicating continuing optimism on export orders. Total exports of goods and services are expected to be about 5 per cent *higher in 1984* than in 1983.

Domestic demand for manufactures is expected to grow strongly in 1984, though possibly by less than in 1983. There *may be some fall in the growth* of imports of manufactures. Total imports of goods and services may grow slightly faster than in 1983, given the unusually low levels of imports of fuels and services in 1983.

Domestic demand expanded faster in Britain than in most other countries in 1983 and so, despite a further rise in oil production, British imports rose faster than exports, and the *surplus on the current account* of the balance of payments fell from £5½ billion in 1982 to an estimated £2 billion in 1983.

With the strengthening of the world recovery, the balance of trade in manufactures can be expected to decline less in 1984 than in 1983. Part of this decline should be offset by upward trends in net trade in other goods and services. In addition there should be higher earnings from interest, profits and dividends helped by the growth in British assets abroad and by the strengthening of the world recovery. Overall, the current account is expected to *remain in moderate surplus in* 1984 and the first half of 1985.

Inflation

Inflation rates fell during 1983 to their lowest levels since the late 1960s. The 12-month increase in the Retail Prices Index dropped below 4 per cent in the spring – partly reflecting *factors such as good harvests* and falls in the mortgage rate – and the average level of prices for the year as a whole was up only 4.6 per cent on 1982. In January 1984 the RPI was 5.1 per cent higher than a year earlier; the Tax and *Price Index*, which takes account of the direct tax reductions in the 1983 Budget, was 4.2 per cent up on a year earlier.



Price inflation as measured by the GDP deflator may be under 5 per cent in 1984-85 as a whole. After allowing for the budget measures, the annual rate of increase in the RPI may stay *a little above 5 per cent for* the first half of 1984, before falling to 4½ per cent by the fourth quarter. A slowdown during 1984 is expected in the rate of food prices; while the nationalised industries' component should continue to rise more slowly than prices in general (see Table 3.3). The slow downward trend in inflation is forecast to continue in 1985.

The growth in GDP since the trough in 1981 has reflected a recovery in domestic demand. The rundown in stocks eased in the second half of 1981 and subsequently. The low point for fixed investment was in the second half of 1981: since then *both public* and private investment have risen at about 5 per cent a year in 1982 and 1983. Consumers' expenditure rose by 3½ per cent in 1983, continuing the recovery which started in mid-1982. Helped by lower than expected *inflation*, public spending on goods and services rose by over 3 per cent in volume terms in 1983.

On the basis of further increases in real take home pay and in employment and taking into account the effect of the budget measures, real personal disposable income may rise by up to 3 per cent *in 1984*. While further increases are expected in non-durable consumption, the very fast growth of durables expenditure is likely to moderate.

Unemployment

Unemployment levelled out during the second half of the year while vacancies and overtime increased. The trend in unemployment was affected by *the continued* rise in the numbers covered by special employment and training *measures. In* January and February however there was a further rise in unemployment. The growth of the labour force appears to have resumed in 1983 and further increases are forecast, though the numbers are very uncertain. Given the progress already made on unit labour costs this pressure has now eased and the forecast assumes that, apart from normal cyclical effects, *productivity* growth will be slower than in the past three years.

Green Paper on public spending

Pegging expenditure for a decade

By Jonathan Davis Financial Correspondent

Public spending *will need to* be held to its present level in real terms for the next 10 years *if the* tax burden is to be brought down to the levels of the early 1970s. Even 10 years of economic growth at 2 per cent a year will not allow taxation to drop to its 1960s level if it is accompanied by any real growth in public spending.

This is the central conclusion *of the* long-awaited Green Paper on public spending which Mr Lawson published yesterday alongside his Budget proposals. The 34-page discussion document is described by the Treasury as "a novel and important" contribution to the debate on longer-term public spending problems, although it is a more *restrained document* than many expected the Treasury to produce.

The paper starts by chronicling how public spending has risen over the past 20 years both in real terms and as a share of national income. Since 1963-64 it has roughly doubled in real terms. *In cash terms it has risen from £10bn* to a projected £139bn next year. As a precentage of it has risen from 36 per cent 20 years ago to 46 per cent now, though this is lower than the peak of 48 per cent reached in 1975-76.

Tax rates and national insurance contributions – the tax burden – have increased from 29 per cent in 1963-64 to 34½ per cent five years ago and 38 per cent now. The burden on the lower paid has risen substantially.

This increase in taxation has had a serious impact on Britain's economic performance, the paper says. It will not be easy to keep spending in check over the next ten years. The document outlines several sources of future pressure for higher spending, such as the growing number of pensioners, the *disabled* and *public service* pay and pensions.

If health spending stays constant in per capita terms over the next ten years, spending will need to rise by one per cent a year just to keep pace with changes in the population.

"The Government hopes that the main theme of this Green Paper will remain at the centre of the debate: that to break away from the debilitating pattern of the past in which public spending and taxation took an ever larger share of our national product, we must establish a clear view of what can be *afforded: set out* spending plans accordingly: then stick to those plans."

There should be no general presumption that higher public spending is inevitable to met *the needs of the sectors that are* putting pressure on longer-term spending "given the scope for *switching* from public to private sectors and for improved efficiency within the public sector".

The Treasury's latest projections are much less alarmist than those made two years ago when the then Chancellor, Sir Geoffrey Howe, warned the Cabinet that income tax might have to rise by 15p in the pound to pay for higher public spending if the economy grew only slowly. The now defunct "think tank", the Central Policy Review Staff, told ministers that only a wholesale assault on the welfare state would provide the necessary savings.

By publishing the Treasury's outline thinking on long-term public spending the Chancellor is hoping to avoid the political storm which blew up after the contents of the earlier papers were leaked to the press in the count-down to the general election.

The Treasury has also been sensitive to criticism that its earlier document was overly pessimistic, perhaps deliberately so to scare spending departments into agreeing to savage cuts in programmes.

Now that the projections suggest a more *cheerful* view the Treasury's enthusiasm for the exercise has clearly waned – one reason for slipping them out with the Budget when the spotlight will be focused elsewhere.

ESP got off to a bad start with the first study of the eerie phenomenon 50 years ago. **Brian Inglis** describes the long struggle to silence the sceptics of 'crystal gazing', and the recent research that attempts to establish the scientific legitimacy of parapsychology

The eye of the mind

Fifty years ago this month, a slim monograph was published in Boston which was to give a new term to the English language. It described research undertaken at Duke University, North Carolina, by a young psychologist, J. B. Rhine. The results, Rhine claimed in *Extra-sensory Perception*, confirmed the existence of telepathy and clairvoyance.

Hitherto, research into these faculties had been conducted with individual mediums and "sensitives". Rhine had used students, many of whom had previously had no inkling that they might be psychic. And the trials were conducted in a form which, though not new, were far more carefully controlled than ever before.

"Zener cards", marked with five different kinds of symbols, were used in packs of 25. In any "run" of 25, five "hits" – correct guesses about the concealed design – was chance expectation.

In some trials the person conducting the experiment looked at the cards as he dealt them. In others he did not look at them – making it possible to discover whether some subjects were telepathic or clairvoyant, or both. Sometimes the subject was in the same room, sometimes in another room, sometimes in another building, to find whether distance made any difference. And after exhaustive trials a few individuals had scored so consistently above chance that the odds for their results were astronomical.

It is not too much to say that the monograph – amplified three years later in *New Frontiers of the Mind*, dealing with criticisms of the earlier book – established ESP, as it soon came to be known, as a scientifically-demonstrated reality. Certainly this was the impression I gained, second-hand. But an influential and academically well-entrenched section of the community, both here and in the US, refused to accept the evidence; as it still does.

As a result, a peculiar situation has arisen. Recent opinion polls have shown that seven or eight out of 10 adults here believe in ESP, most of them from personal experience. ESP has also been reported, often as commonplace, from every age, and from every part of the world. The Duke findings have been endlessly repeated in trials elsewhere. If ESP exists, its significance to science – more, to the whole future of our species – can hardly be over-estimated. Yet when Arthur Koestler leaves half a million pounds to found a chair in parapsychology, only two universities bid for it.

Why? In other countries, the attention being paid to the subject is striking – in some respects, alarming. Even the Russians have shed their earlier attitude to ESP as bourgeois and counter-revolutionary. With the help of some agonizing newspeak ("psychic" becomes "bio-plasmic") investigators have been turning out a mass of material, some clearly well researched.

The worry is that they may be using it for its potential advantages in the cold war: clairvoyants monitoring the Pentagon, and the like. And recently it had been disclosed in leaks that the CIA and the Pentagon have been busy in this area, too. Here in Britain, though – in spite of the willingness of many scientists, otherwise sceptical, to concede that "there may be something in ESP" – the prejudice remains powerful against allowing that research is legitimate.



Going back over the ground to try to discover the roots of this antipathy, grounded as they were in the 1934 reaction to *Extra-Sensory Perception*, I have realized that it touched off a disturbing range of alarm signals in academic circles, particularly in psychology departments.

Psychologists had only just succeed in obtaining accreditation in their own right. Longing to be recognized as scientists, the last thing they wanted was for the established physicists, chemists and the rest to point the finger of scorn at them for dabbling in the occult. Understandably, they invoked the physicists as allies: ESP could not happen because it was contrary to the immutable laws of nature.

By one of the ironies with which this whole saga is bespattered, quantum physicists at this time were not merely busy demolishing those laws, but were finding that at the atomic level, particles behaved in embarrassingly paranormal ways: they switched as Bohr reported, from one orbit to another without traversing the intervening space. But as Alfred North Whitehead lamented, also in 1934, Victorian materialism continued to reign unchallenged and even among scientists, "a touching example of baseless faith".

Although the ability of the academic world to ignore inconvenient evidence has long been notorious, in this instance there was a pressing reason not to ignore but to stamp on the upstart; as Koestler was to recall in *The Invisible Writing*.

Meeting his old friend Professor Hans Reichenbach in 1952, Koestler told him about Rhine's results. Reichenbach remained unmoved until told that the statistics, which had been challenged, had been vetted by Sir Ronald Fisher, who had given them his seal of approval. Reichenbach was visibly shaken: "If that is true that is terrible, terrible. It would mean I would have to scrap everything and start again from the beginning".

Reichenbach was speaking as a dedicated materialist and a logical positivist, both disciplines long established critics of psychical research. For psychologists, particularly behaviourists, the implications were even more disturbing. The elaborate structure of controlled trials they had introduced, in order, among other things, to ensure that experimenter bias could not influence the results of the tests, had been used by Rhine himself; and what his results had shown was that the structure was flawed, because if ESP exists, experimenters cannot be certain that they do not influence results by telepathic communication with subjects.

□☆○

To the public, this might sound a little far-fetched; but psychologists instinctively realized it was the thin end of a frightening wedge. Some of them reacted with a campaign of denigration, which has continued on and off ever since.

Nobody cared to challenge Fisher; but much play was made when it was discovered that some of the cards used in tests had patterns which could be detected through their backs if they were held up at a certain angle to the light.

This was correct, but irrelevant. Dealers did not hold cards up to the light and even if they had, it would have made no difference to the results of most of the successful subjects, some of whom preferred to go into a state of abstraction, not looking at the dealer. In any case, many of the trials had been conducted with the dealer out of the subject's range of vision. And in some, the cards had been left undisturbed in their packs, while subjects guessed down through them.

A more telling argument, however, against the allegation of systematic cheating on the part of subjects or investigators or both, is that the results are not of a kind which point to such an interpretation.

The great majority of successful subjects have averaged only, say, seven or eight "hits" – too modest a target for most cheats; nor has the success of some individuals been balanced by others consistently scoring below chance. (This occurs, but far less often.) Frequently it has only been at the end of a protracted series of runs that it has been realized that the proportion of "hits", though small in each one, significantly exceeds chance expectancy. It is this relatively modest, yet often strictly consistent, success rate which constitutes ESP's impressive experimental testimonial.

It was this, I suspect, which led Professor Hans Eysenck to accept the evidence for ESP – one of the few behaviourists to do so. Unless there were a gigantic conspiracy involving several hundred respected scientists, many of them initially sceptical, in universities the world over, he wrote in 1957, "the only conclusion the unbiased observer can come to must be that there does exist a small number of people who obtain knowledge existing either in other people's minds, or in the outer world, by means as yet unknown to science".

Cautiously, Eysenck refused to credit anecdotal evidence; "testimony of a single person, however authoritative he may be, must never be accepted as evidence for a psychic experience". But surely the testimony of hundreds of individuals about their experiences (as distinct from beliefs) must be allowed some credit, especially when backed by confirmatory evidence; as, for example, in Upton Sinclair's *Mental Radio*, which happened to appear just when Rhine's work at Duke was getting under way?

Sinclair, whose books had made him the darling of the left, was well aware that he would be jeered at by his rationalist friends; but he felt he must not hide his discovery that what he had assumed to be a superstition had turned out to be a fact – as he could illustrate from the drawings which his wife Mary made of what was in his mind, sometimes when they were many miles apart.

Clairvoyance, too, has recently been demonstrated by a number of individuals, notably the American artist Ingo Swann; and a succession of controlled trials in different parts of the world have shown that many people some of the time, and a few people quite often can "see" what is happening at a distance.

As a result, sceptics have recently been displaying increasing signs of desperation; and this has had the depressing effect of leading some of them to use smear tactics. Denouncing psychical researchers at a meeting of the American Association for the Advancement of Science in 1979, the physicist Professor John A. Wheeler actually claimed that a research student who had faked an experiment "was Rhine. Rhine started parapsychology that way".

The story was, of course, false. In a letter in *Science*, Wheeler had to retract his charge. "I unwisely repeated a secondhand and, as it turned out, incorrect account" – a damaging enough admission, but, unbelievably, Wheeler did not even have the grace in the letter to apologize to Rhine, who was still living at the time.

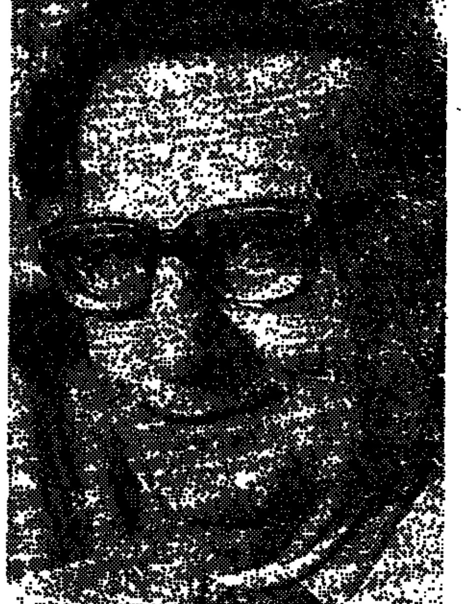
Science and the Paranormal: A History of the Paranormal 1914-1939 *by Brian Inglis will be published by Hodder and Stoughton on March 19.*



J. B. Rhine conducting a zener card test for extra-sensory powers at Duke University in 1938



Novelist Upton Sinclair in 1937



Professor Hans Eysenck

(Above) The picture drawn by New York artist Ingo Swann during a "remote viewing" experiment in 1975 when the invisible subject was a typewriter. (In text, left and below.) The five symbols are used in packs of 25 zener cards.

TOMORROW
Psychokinesis: a matter of mind over matter

moreover...
Miles Kington

In one ear and out of the window

A well-known Cabinet Minister yesterday came out in favour of the Freedom of Information movement. There is already too much secrecy, he said; the trend should be stopped and reversed.

No, I am afraid I cannot reveal which one.

He did not wish his name to be known.

He did not even wish me to say as much as I have said.

"Just say the usual", he told me. "Some sources close to the Prime Minister believe that the present level of classified information is not altogether desirable. Something like that."

"I can't say that!" I told him proudly. "I am not a lobby journalist. I have self-respect and dignity. Let me at least name you."

"No!" he cried. "She would never forgive me!"

"Who?" I inquired.

"I cannot tell you," he mumbled.

It had been a curious evening. First the phone calls which were quite silent when I answered them. Then the scratching at the window. Finally the entrance down the chimney of the Cabinet Minister, who searched the room for microphones and recording devices before he would consent to speak.

"Yes it is true," he whispered defiantly." "Some of us in the Cabinet believe that there is too much secrecy."

"Which other ones?"

"I don't know," he admitted, shamefacedly. "I just find these anonymous notes left behind occasionally after Cabinet meetings. 'I am a prisoner in a truth factory,' that sort of thing. My God, it's awful."

Perhaps people better informed than I am will recognize the Cabinet Minister in question if I describe him. He wears sun glasses, a false moustache and a brown wig, and chews gum constantly. When he left, I analysed the gum he had left in an ash tray. It was a Cabinet memo of no particular importance.

"I think you're lying to me", I told him coolly. "I think the only secrecy you're worried about is the fact that your chief Civil Servant will never tell you anything. You want freedom of information *for* Cabinet ministers, not from them! You're not interested in information for the public."

"I should think not", he snapped suddenly. "What right have they to know anything?"

In the ensuing silence I studied the Old Etonian tie which hung from his neck, and the Old Wykehamist tie and Manchester Grammar School old boys, tie which hung beside it. This man was giving nothing away.

"Which ministry are you in charge of?" I asked him point-blank. His features worked painfully for a moment.

"I . . . I don't know", he said. "She won't tell me. I think it's something to do with roads. Or perhaps foreign countries. Oh God, if only I knew! That's why I think information is so vital."

"You are contemptible", I said. "If you will tell me nothing, please leave."

"I'll tell you the capital of Lebanon", he said cunningly.

"Get out.

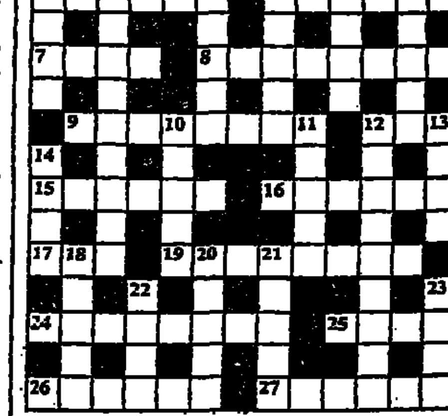
Promise you won't say anything about my visit, then? Especially to her?"

I said nothing. His eyes gleaming hypocritically through his dark glasses, he opened my window and leapt to the ground below.

He did not seem to have the free information that I live three floors up..

If you should spot a Cabinet Minister limping in the next few days, you will know that you are looking at a Tory champion of the truth.

CONCISE CROSSWORD (No 291)



ACROSS
1 Sweet white wine (6)
4 Top ornament (6)
7 Methods (4)
8 Transmitter's receptacle (8)
9 Reality avoider (8)
12 Pounds, shillings, pence (1,1,1)
15 Throat flap (6)
16 52oz bottle (6)
17 Pakistani leader (3)
19 Canvas shoes (8)
24 Town by-pass (4,4)
25 Before (4)
26 Clothing (6)
27 Brook (6)

DOWN
1 Gape (4)
2 Former Ethiopia (9)
3 Share certificate (5)
4 Confronts (5)
5 Wood pin (4)
6 Defined regions (5)
10 Assumed name (5)
11 Express gratitude (5)
12 Far-reaching (4.5)
13 Woman of rank (4)
14 Whole gamut (1,2,1)
18 Dolt (5)
20 Hangman's halter (5)
21 S American mountains (5)
22 Wrinkled citrus fruit (4)
23 Initial form (4)

SOLUTION TO No 290
ACROSS: 1 Rip off 5 Lull 8 Hocus 9 Run away 11 Rush hour 13 Bust 15 Monkey nut 18 Raga 19 Rub noses 22 Precept 23 Attic 24 Coma 25 Rector
DOWN: 2 Incus 3 OAS 4 Fortune hunter 5 Lent 6 Lawsuit 7 Shark 10 Yeti 12 Hand 14 Anon 15 Magneto 16 Drop 17 Psych 20 Set to 21 Feta 23 ABC

هكذا من الأصل

WEDNESDAY PAGE

ALAN FRANKS' DIARY

Great Aunt Sylvia's birthday review

A busy week in prospect, what with my son's fourth birthday on Saturday, and Great Aunt Sylvia's progress from Beckenham on Sunday for her annual review of my troops. This is a textbook case of going from the ridiculous to the sublime, and I am not sure which will be the more trying of the two occasions. I do know that they should have happened the other way round, for whatever one's views about the antique relative (and there is plenty of scope for libel here), at least one doesn't have to clear up after her in quite the same way. Mind you, her expressions of disapproval – I believe the correct term is "old fashioned looks" – can be just as devastating as a whole phalanx of tiny jelly throwers.

The birthday itself is a classic of bad timing and will remain so year in, year out, since it is on the same day as mine. The joke about being given a baby boy for my birthday has not lasted well; in fact it wore pretty thin after a matter of hours on Day One. Why did they pick me to keep proving the old stage maxim about animals and small children? The truth of the matter is that it is not really *my* birthday at all these days. It is his, and I am there on sufferance.

The birthday party. Room teeming with small knights in plastic armour tramping through undergrowth of casting, and the forces of evil surely cannot survive for long on those fair and chubby features.

Just as babies fall into one or two categories (Winston Churchill or Donald Pleasence; bombastic or beady), so there are adult counterparts for them when the soft jowl eventually falls away to reveal the shape of jaws to come. For example, there is a dark-haired lad over in the corner who is known locally as Mr Gromyko because of his glacial stare. I can see two Robert Morleys and no fewer than four Geoffrey Howes, one of whom is Parvis Maitland's son. These are boffin-like creatures with waxen foreheads, and temples made with thick-rimmed specs in mind. Poor little Maitland has been cast as that unspeakable blob who lolls on a slab and slavers. He will probably sue. Neither the Howes nor the Morleys can do anything with Mr Gromyko. Whenever they try to draw him into the fun, he purses his tiny mouth as if to say "Niet!"

Enter, with massive hauteur, *Great Aunt Sylvia. We are ready for her: by which I mean that I have remembered to get in a box of Earl Grey teabags from the Indian shop round the corner which stays open till all hours, so that she can sit and sup from the one cup remaining from the Good Set, with her little finger cocked in the grand colonial manner.*



wrapping paper. Some are 500 years ahead of their time and are equipped with machine guns that sound like those old soccer rattles of my youth. The terraces at Craven Cottage were never as noisy as this, though. Everything at knee height swims and wobbles and I haven't even had a birthday drink – yet. You would not have guessed it from the blur of weaponry, but this is a Star Wars *party, organized by two mums who call themselves Party Players (excellent value at £35 for three hours, including farewell gifts). Oddly enough no one wants to be Darth Vader, and I wonder whether perhaps the anti-hero is not as popular as he used to be in these circles. Eventually, of course, it is the youngest and weakest who gets lumbered with the role. It is very bad*

Also, the children have been comprehensively briefed; by which I mean they have been asked to go easy on the swear words for an afternoon. "But we only do it because you do", came the reply, and there is no answer to that sort of tactic. The detritus from yesterday's Star Wars *party has been banked up in the toy cupboard and shut in under tremendous pressure, like tube travellers in Tokyo. The Great Aunt sits, the children fall silent (even the goldfish have stopped mucking about), the good cup is produced, the little finger is cocked, the toy cupboard latch finally gives up the struggle and a cascade of fearsome debris swamps the carpet. "Buggation!" yells one of the children (I don't know which, but I intend to find out), and the rest I cannot write.*

The jewel off Broadway


Nobby Clark



Two ages of Billie Whitelaw: in *Rockaby*, top, and on stage with Samuel Beckett, above

Penny Perrick shares a New York dressing room with Billie Whitelaw

New York

For a woman who has the whole of New York at her feet, Billie Whitelaw seems to have got hold of the wrong script. She is refusing, against the advice of such fellow luminaries as Liza Minelli, to "go with it" – "it" being the transfer to a larger theatre of *Rockaby*, the programme of three plays by Samuel Beckett in which she is starring nightly.

"It" is also cocktail parties given in her honour by Manhattan's most ruthlessly social-climbing hostesses, coast-to-coast radio and television interviews, and invitations to discuss future projects handed out by film directors with their own limousines.

One of these, Mike Nichols, who directed New York's other hot ticket, *The Real Thing*, finally persuaded her to have dinner with him after persistent telephoning; a date she kept wearing my best dress. Having come to New York to do something "small and obscure", she had packed only trousers and her son Matthew's old school shirts.

The reviews for *Rockaby*, which Beckett wrote for her, are of the kind that look well on billboards: "Magnificent, Memorable" (*New York Post*). "It's possible that you haven't really lived until you've watched Billie Whitelaw die" (*New York Times*). "The beautiful, witty, presence of Billie Whitelaw makes a true event out of *Rockaby*" (*The New Yorker*). Not surprisingly after such a New York debut, every performance is sold out.

Also, not surprisingly, she is under considerable pressure to transfer the programme from the tiny, off-Broadway, Samuel Beckett Theatre to grander premises. She would rather not. "There's a slight touch of overkill going on here", she said, "and I think I'd better put it back in its proper perspective. I came over to do a three-month Beckett season and it's worked. What more can I do? Get better notices? No. I think I'll just see my contract out and leave this little jewel behind me. I was allowing myself to be pressurized into doing something I didn't want to do – moving into a big theatre – and it made me miserable because I knew it wouldn't be right. As soon as I decided that I wanted to stay put, the cloud lifted. If Katharine Hepburn, Jeremy Irons and Jerry Schonfeld (one of the legendary Shubert Brothers who own half of Broadway) can come to this little theatre, what's the point of moving?"

Schonfeld had come backstage after the performance and kissed her hand, getting covered in the process in the ghastly grey and yellow make-up which covered it. "He'd been moved because he saw something in its right setting and not a whole bunch of nothing wrapped up in red ribbon". New York's theatrical mafia is unlikely to let the matter rest there.

One of the few interviews that Billie Whitelaw agreed to do was with Arlene Francis of WOR Radio. Miss Francis swept into the recording studio, a wonderful sight in fur stetson, clanking beads and yellow rainboots, clutched Billie to her necklace and said, "You're something really special".

She then started, in suitably reverent tones, to ask Billie about The Master:

AF: "Is it correct to say that Beckett is trying to convey the despair of the human condition?"

BW: "Um. I've never discussed that with him, actually".

Billie, described by one reviewer as "the voice, body and soul of Samuel Beckett, his on-stage alter ego" could talk about him only in terms of his great sense of humour, his bright blue eyes. This wasn't quite what her interviewer had in mind. She persisted in her quest for "meaning".

Billie stood firm: "As far as I'm concerned, what you see is it. Academics can discuss the meaning of the plays; that's their problem, not mine. I often want to say to intellectuals, 'Enter the theatre as a little child'."

Arlene Francis, who had obviously been stirred by Billie's performance, was at a loss how to explain what had touched her. Billie sympathized: "If I had to talk to *you* about *Rockaby*, I wouldn't know where to start".

Billie Whitelaw has worked directly with Beckett since the middle 1960s, every pause, every line reading of his plays worked out between them. Even when he is not the director, he is still at her side or discussing the play with her over the telephone. This collaboration began in 1964 when she apppeared in The National Theatre's production of Beckett's *Play*. "I knew we were on the same wavelength within a week. The other actors kept on asking him what it was about. I thought that it didn't matter – you just had to make it sound right – so I didn't ask any questions.

In *Footfalls*, the second play in the *Rockaby* programme, Billie plays May, a sad creature, nothing but a grey tangle of tatters, who paces the stage – nine steps forward, nine steps back – in a strange half-crouch, half-shuffle, head on one side. Staying in this posture for the length of the play has given Billie a bad back pain.

The energy needed for such an exacting performance would be enough to stop her from living the up-all-night life of the New York celeb, even if she wanted to. She doesn't. One member of the glitterati, anxious that Billie should make free with the sun, moon and stars, as befits a newly acclaimed superstar, offered to send her own hairdresser to Billie's hotel. Billie looked at the woman's stiffly piled-up hair. "No thank you, love", she said. "I think I'll go on washing it myself under the shower."

COMMENT

Probation not prison

Prisons do not solve anything: they are part of the problem, because in many ways they make matters worse. They are also very expensive. But if more money were spent on the probation service, far larger sums could be saved in the prison sector. This would, if anything, provide better public protection, since ex-prisoners are reconvicted at twice the rate of those who have been on probation. Home Office research has shown that at least one third of the prison population would be suitable for non-custodial sanctions, if proper facilities existed.

But this would be unlikely to happen if the probation budget were simply increased without strings, as in the past. There would have to be payment by results, otherwise probation would grow with no corresponding reduction in prisons.

How could the probation service affect the prison population? Firstly, because in addition to straightforward probation, it organizes day centres, mutual support groups, and community service, not forgetting bail accommodation for those awaiting trial. If there are not enough of these places the courts can't use them. Secondly, probation officers have they key role of writing pre-sentence reports for courts, in which they often make recommendations as to sentence. Again, research can help: it has shown that courts follow these recommendations in most cases.

The proposal is to enable probation officers to develop resources for offenders with particular problems. To fund the project, for every ten by which the prison population from an area was reduced, the probation service would receive a substantial part of the average cost of ten prison sentences.

This would give innovative probation officers an impetus to re-examine their work, propose schemes that would qualify for the grant, and persuade courts to use them. There would be safeguards, to ensure that only offenders meeting a project's specific criteria could be sent there (but non-offenders could attend voluntarily, so that the project could have a preventive function too). Independent evaluation would be insisted upon. The ultimate safeguard would be the courts, whom probation officers would have to convince that each placement was in the public interest.

The Home Office has been cool towards this scheme. It argues that money would have to be spent now, to secure savings later; but any prudent manager does that when costs are too high. It also says that the figure of about £10,000 per prisoner per year is only an average: to keep one person out doesn't save that amount. True; but even to close a wing or a landing would start the ball rolling.

Martin Wright

Tender ways with veal

THE TIMES COOK

Shona Crawford Poole

There will be no jokes about blankets please. Just because *Blanquette de veau* has a white sauce which is sometimes a little thicker and more enveloping than it should be ideally, is no reason for ribaldry. And the likelihood that the pieces of meat being taken from the budget cut called breast will be flat squares is insufficient excuse for failing to accord this decent dish proper respect.

The tradition of distinguishing food by its colour is a relic of medieval fashions in conspicuous consumption. Blancmange, literally white food, was a very posh dish in its day and involved prodigies of blanching and pounding almonds and chicken flesh into a seamless confection that must have been the greatest imaginable contrast to coarse, everyday fare.

Sometimes it is a name which survives rather than a practice. Not much gingerbread is gilded nowadays. And sometimes it is a recipe which survives almost unchanged, as in the mint and vinegar greensauce still served with lamb.

The trouble with very pale, if not exactly white, food is that it looks as though it should not taste of much. In the case of semolina pudding, this expectation is amply justified, but never let it be said of a *blanquette*. Only cheer up the colour if you must with last-minute saffron or parsley, either of which will, of course, change the taste of the dish.

Lamb may be substituted for veal in the following recipe:

Blanquette de veau
Serves six to eight

1.8kg (4lb) breast of veal, or equal amounts of breast and shoulder
225g (8oz) onions, peeled and quartered
1 carrot, cut in large chunks
3 cloves garlic, peeled
Bouquet garni of 1 clove, bay leaf, thyme, parsley and lemon peel tied in muslin
Salt and freshly ground black pepper
450g (1lb) small onions, peeled
225g (8oz) tightly closed button mushrooms
55g (2oz) butter
45g (1½oz) flour
2 egg yolks
150ml (¼ pint) double cream
2 tablespoons finely chopped parsley (optional)

Bone the meat, or ask the butcher to do it for you, and give you the bones. Cut the meat into large squares or chunks. It will shrink during the long, slow, cooking and you want to end up with generous, bite-sized pieces.

Put the meat and bones into a large saucepan and add cold water to cover. Bring slowly to the boil and skim the surface very thoroughly. Add the quartered onions, carrot, garlic, *bouquet garni* and a little salt and pepper. Reduce the heat to the barest simmer, cover and cook the meat until it is almost tender – about 1¼ hours.

Add the onions and mushrooms and cook them with the meat until both meat and vegetables are tender. (At this stage everything can be left to cool until the fat solidifies on top of the stock and then be removed.)

Strain the stock (reheating or skimming it as necessary). Discard the carrot, quartered onions and *bouquet garni*, and keep the meat, small onions, and mushrooms warm in a covered bowl.

Melt the butter in the pan and stir in the flour. Cook the roux for a minute without allowing it to colour, then add the stock gradually, stirring continuously. Cook the sauce on a low heat for 10 minutes.

Mix the egg yolks with the cream and stir a little of the sauce into this mixture before adding it to the sauce. Stir on a low heat, without allowing the sauce to boil again or it will curdle. The finished sauce should be thick enough to coat the back of a wooden spoon.

Check the seasoning and add the reserved meat and vegetables to the sauce. Keep warm for 10 minutes, to allow the flavours to mingle, before serving with creamed potatoes or boiled rice. A crisp, leafy salad dressed with a mustardy olive oil vinaigrette makes a well-contrasted accompaniment to a *blanquette*.

Budget cuts of meat invariably need long, slow, cooking, while the choicest parts of the animal need only be shown a flame. If it is time that is precious, calves' liver fried in garlic butter is as quick as a steak. Ideally, the liver should be about ½cm ($^3/_{16}$in) thick.

Foie de veau provencale
Serves two

225g - 340g (8oz) calves' liver cut in thin slices
Salt and freshly ground black pepper
2 tablespoons clarified butter, or 1 tablespoon each butter and olive oil
1 clove garlic, finely chopped
1 tablespoon fresh lemon juice
2 tablespoons finely chopped parsley

Season the liver with salt and pepper. Heat the butter or butter and oil in a heavy sauté or frying pan and when it is really hot, add the liver.

Fry it briefly on both sides – it will be tenderest if it is still a little pink in the middle. Remove it from the pan and keep warm. Add the chopped garlic and turn it in the butter for a minute before stirring in the lemon juice and parsley. Spoon the sauce over the liver and serve it immediately. New potatoes are good with this.

هكذا من الأصل

THE TIMES DIARY

A letter dislodged

An investigation into the Freemasons network within Brent council was urged yesterday by the Labour group leader. Martin Coleman, after a letter listing certain masons involved in present and past council activities, was inadvertently sent to his office.

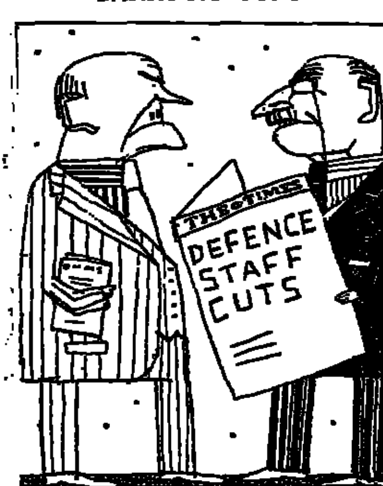
The letter, headed "Anselm Lodge No. 7685" was written by a Brent Tory councillor, Eric McDonald, and addressed to "Brother W. R. Moody". Stamped "undelivered" by the Post Office, it was returned to Brent Town Hall whose frank it bore. Presumably believing "brother" was a reference used by those of a left-wing persuasion, it was forwarded to Coleman.

In the letter, McDonald, a charity steward at the lodge, asks "Brother Moody" to sponsor the Masonic teams running in the London Marathon "in the name of the Provincial Grand Master." He lists the lodge members who have already pledged support – among them: Tom Taylor, secretary of Brent's Tory group and chairman of the finance committee; David Sheppard, deputy leader of the council; L. C. Haddock, district building surveyor; R. B. Tredger, chairman of the development committee; C. Edwards, senior education awards assistant; David Harvey, former Tory group leader; and Ken Morris, Brent's former chief architect.

Leaking volumes

Researchers lucky enough to have wangled a pass to the Queen's private library at Windsor Castle may be in for a disappointment. A leak in the castle roof has led to a large number of Victorian and later biographies becoming waterlogged. Property Services Agency repairers were working on the roof when their rain precautions collapsed under the force of a thunderstorm. Windsor has its own bookbinder on hand for such events, but future researchers may well find their relevant tomes bearing the odd telltale dye stains when all are back in situ within, I am told, the next two years.

BARRY FANTONI



"Frankly old man, I could never see you simply fading away"

BBC Jameson

As he prepares to contest the £75,000 costs from his unsuccessful libel case against the BBC, Derek Jameson has already started efforts towards footing the bill – working, ironically, for the Corporation itself. He appeared last weekend on a BBC World Service arts programme, expounding his theories on soap operas for a £25 fee. "It wouldn't pay for four minutes of BBC counsel time," said Jameson.

Jameson tells me he is to make representations to the court Taxing Master, in the hope that his costs will be based closer to his lawyer's original estimate for the duration of the trial of five days, instead of the 12 it lasted.

Meanwhile Jameson's fighting fund, set up by the *Daily Star's* Vic Giles, has raised £2,000 with a pledge of a further £3,500. With leaflets emblazoned "Help Jamie pay off the lawyers... the costs are massive," circulating Fleet Street and even the BBC newsrooms, Jameson tells me discussions are underway for another money-making wheeze – hosting two Whicker-style documentaries. For the BBC, of course.

Rule of iron

Reports that Major Colin Innes was sacked as golf club secretary of Muirfield for being a "wee radical" could not be further from the truth. The poor fellow resigned after four months when Muirfield stalwarts rejected his "reforms" – to install central heating and a new telephone system, and set up a display for the club's artefacts, which, I am told, are currently secreted in a Scottish bank vault.

As Major Innes was searching for a new job yesterday, the legendary "martinet of Muirfield" Captain Paddy Hanmer, who retired after 15 years last November, was temporarily back at the helm. The new secretary Major Gordon Vanreenan, who takes over in May, will find Hanmer's "rod-of-iron" reign a hard act to follow. After a cheeky item about him appeared in the *Daily Telegraph*, the paper's editor found himself confronted by Hanmer after a round at Muirfield. After William Deedes came clean and announced himself, the secretary turned to him, and in front of Lord Whitelaw et al, boomed: "I am surprised they allowed you in here."

PHS

Mr Lawson's cautious reforms

by Sarah Hogg, Economics Editor

This Budget is not about 1984. Though Nigel Lawson fleshed out his first budget statement with a remarkable number of tax changes for the coming year, fulfilling both hopes and fears of his radical intentions, this is the first Budget of a parliament, and it is the bare bones of his strategy that merit closest intention.

It is an incomplete skeleton. His financial rib cage is fully displayed, but his tax plans are only half-stated and the projections for public spending do not amount to a strategy at all. Only partial judgment, therefore, is possible, plus a little malicious speculation as to why the chancellor has chosen to lay out his economic plans in this particular way.

Mr Lawson's plans assume that public spending remains constant, after allowing for inflation, between now and 1989. Since he claims that he has already brought public spending to a halt, this in effect means no further assault on the expenditure side of his equation, merely a balancing act between the competing demands of different government departments. This should be rather easier over the next five years than over the past four, since the rise in unemployment has slowed and defence has not been promised a sizable real increasein its budget beyond 1986.

Having plumped for stability on this side of the equation, the Chancellor had only two choices. He could have chosen to go down in history as the mechanical successor to Sir Geoffrey Howe, following the same predetermined track towards the elimination of the public sector's deficit. Mr Lawson was, after all, deeply involved in the creation of the Thatcher Government's original monetarist strategy, and he might have been expected to ram it home during his term as chancellor.

That course, however, would have meant no tax cuts during the lifetime of this parliament. Mr Lawson's projections of revenue and spending published in the Budget "Red Book" indeed show that he would have had to plan to increase tax rates to balance the Budget by 1987. Instead, he has chosen to be a tax-cutting and tax-reforming chancellor. His plans allow for £2 billion of tax cuts in 1985-86, and as much as £4½ billion in the following year. The level of public borrowing, as a consequence, remains at £7 billion right through to 1988-89, falling only marginally as a proportion of national income.

For a man so often accused of ignoring political realities, this looks like a strategy of surprising political caution. Mr Lawson tasted the anger of the Tory party last autumn when he threatened tax increases in his first Budget, and this could be interpreted as a capitulation to political pressure. A kinder interpretation would be that the Government has belatedly remembered half the promises it made back in 1979, and decided to put them to the fore in its second parliament.

There is no doubt that cutting taxes is much more generally popular than cutting public borrowing. And the Chancellor has some justification for a switch in strategy: inflation is now below the international average, rather than way above. Of course Mr Lawson took great care in his budget speech to insist that price stability is still his "ultimate" aim. But the spoken word cannot contradict the Red Book figures – and they show the strategy has altered.

Most of the tax reforms outlined by Mr Lawson are sensible and well directed. He has, for example, outlined a considered plan for the redirection of corporate taxation which should cease to penalize the use of labour as compared to capital; at a time of high unemployment that is welcome. On the personal side, the tax savings should act as a stimulus to saving rather than spending, although there are rather more awkward side-effects from his decisions (for example, on the taxation of interest on bank interest, and cuts in tax relief on life assurance).

There is still no clear long-term thinking in the Government's approach to income tax. What the Chancellor called a "middle way" looks dangerously like a muddled way. The Tories' original, declared intention was to make reductions in the rate of tax. Since Sir Geoffrey Howe's first Budget, that has changed to a concentration on tax thresholds – increasing basic allowances in order to "take people out of tax". Mr Lawson, as expected, has taken a big step further in this direction, raising certain allowances by 7 per cent more than he needed to put them up to compensate for inflation. But he gave no signal that this was a course he intended to follow throughout his chancellorship – or whether he would nibble at income tax from another direction next year.

For the corporate sector, although the direction is clearly laid out, the benefit does not really begin to flow until 1985-86. This year, the cost of all tax cuts is largely financed by a change in the VAT on imports. But this is a one-off gain to the exchequer.

This is not an uncomfortable political pattern for Mr Lawson. It would leave him, on these plans, with money to dole out to personal taxpayers before the next general election – following the same pattern of give and take through a parliament as Sir Geoffrey. But what if those plans go wrong? What if the growth – 2 to 3 per cent a year – in the economy on which they are based does not transpire? Then Mr Lawson will find himself pursuing a standpat strategy, with very little change in the real levels of public spending, or borrowing or taxation.

Mr Lawson's hope must be that the radical changes in business and personal taxation he is proposing will help to keep him out of that groove; that they will stimulate the "supply side" of the economy and help to keep it growing at a respectable pace. He is certainly better-placed to embark on this strategy than Sir Geoffrey was in 1979. And it is just possible that he is playing, with his wayward party, a game of bluff. This Budget says rather plainly that taxes can now come down; but borrowing cannot simultaneously be cut if the Government makes no further inroads into public spending. But is that a question – or a statement of intent?

Richard Owen on the increasing privation of Russian troops in Afghanistan

Shooting holes in the Boy's Own image

Life for Soviet soldiers in Afghanistan has never been easy, but resentments are now beginning to simmer after more than four years of occupation, judging by Moscow rumour and even articles in the press.

The 105,000-strong "limited contingent" which went into Afghanistan in 1979 has suffered hardship and privation, according to families of those fighting in the war against the rebels – or, as the official line has it, "the struggle against counter-revolutionaries and imperialist bandits". Troops are rotated – but even so – conditions in Afghanistan come as a shock to Russia's young soldiers, many of them no more than raw recruits.

Some of the hardships began to surface in the Soviet press under Mr Andropov in a deliberate attempt to counter the rumour mill by giving selected examples of heroic action and death under fire. The Press campaign, featuring ambushes in the mountains and courage in the face of rebel cruelty, recalled tales of Russian army action against the *basmatchi* or mountain fighters of the Caucasus and Central Asia in the nineteenth century and again in the 1920's. The Afghan rebels are commonly referred to as *basmatchi* rather than *Mujaheddin* or Islamic freedom fighters

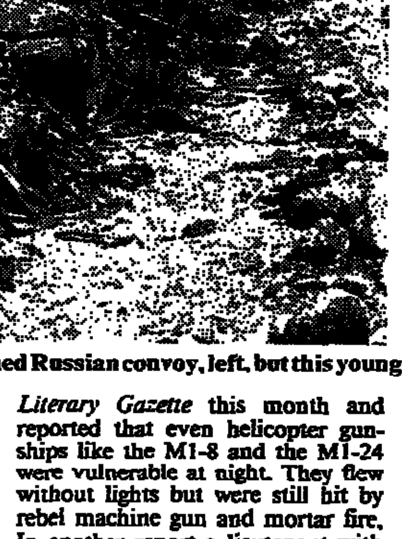
This Boys Own Paper school of writing about Afghanistan still persists, but many young Soviet soldiers serving there none the less feel that their role is underestimated or even looked down on by Russians at home, and not least by their civilian contemporaries.

One young recruit recently wrote to *Komsomolskaya Pravda*, the Communist youth paper, to complain publicly.

"I am amazed how little coverage we who serve in Afghanistan get in your paper," he wrote. "After all, we are risking our lives on behalf of our country." Fighting in Afghanistan was not only unrewarding, it was not even appreciated at home. While he and his comrades were fighting Afghan rebels, the young man wrote bitterly, others of the same age back in Moscow were going to discos, buying foreign clothes, impressing the girls and "using their parents' influence to get into institutes."

Even when they went on leave, the soldier said, their uniforms seemed to convey a negative image rather than glamour or heroism. A comrade serving in Afghanistan had recently received a letter from his girlfriend in which she said she felt contempt for soldiers she saw on the street. "We are serving honestly and fulfilling our international duty," the young soldier concluded, "and we feel injured by such attitudes."





The reality: wreckage of an ambushed Russian convoy, left, but this young soldier can still smile for the camera

Attempts are made to raise morale by sending popular entertainers from Moscow to divert the troops. But the world of Soviet show business is not anxious to share the hardships, according to the Press. Edith Piekha, a well-known pop star of Polish origin, did make the journey to Kabul, but as she told *Red Star* (the armed forces paper), there were 30 entertainers on stage and only 20 in the audience – not a turnout likely to encourage other stars to leave Moscow. Life for the troops was obviously "very difficult," Miss Piekha observed, adding: "they often don't have even the bare essentials."

Many of the Soviet troops do believe they are defending "the gains of the socialist revolution" against an imperialist conspiracy. Officers try to combine propaganda training with morale boosting. One unit, according to *Red Star*, was recently moved to a valley with a river and vineyards because it reminded the troops of regions back home such as Moldavia or the Urals.

But there is less attempt to disguise the harsh realities of fighting an elusive enemy, often at night. A former second world war pilot visited Afghanistan for the *Literary Gazette* this month and reported that even helicopter gunships like the M1-8 and the M1-24 were vulnerable at night. They flew without lights but were still hit by rebel machine gun and mortar fire. In another report a lieutenant with six months service in the field said his men were confused when rebels dressed in Soviet uniform blew up a mosque in Badikhshan province, although villagers claimed the perpetrators really were Russians. "In Afghanistan not everyone can decide what is going on," he observed.

Most diplomats and military experts in Moscow agree that in the long run time and resources are on the side of the Soviet Union, which has already successfully "sovietized" much of the country, especially Kabul itself. The Kremlin continues to accuse the United States and Pakistan of training, arming and supervising rebel operations. Many of the rebels are in fact mercenaries employed by western intelligence, *Red Star* claimed recently.

Pravda said this month that the only solution to the Afghan question lay in "talks and a political settlement" but there is no sign that Mr Chernenko intends to alter course by launching an initiative on Afghanistan. On the contrary, at Mr Andropov's funeral Mr Chernenko made a point of ignoring President Zia Ul Haq of Pakistan – who had requested an interview – and welcoming Babrak Karmal, the Soviet-imposed Afghan leader. When he returned to Kabul Karmal confirmed that there would be no change in the Kremlin's policy.

Mr Chernenko's apparent hard line is a disappointment to those who thought his predecessor was moving towards a new flexibility on Afghanistan, using the United Nations-sponsored talks between Kabul and Islamabad to find a way out of the impasse. When Señor Perez de Cuellar, the UN Secretary-General, came to Moscow last spring he appeared optimistic, and there were leaked reports from the Kremlin of Soviet agreement to a phased withdrawal. Nearly a year later, however, there is no timetable for withdrawal, and so far no suggestion that Mr Chernenko is even considering one. For Russia's young recruits the hardships are likely to continue – or as deputy defence minister Ivan Shkadov put it recently, "modern military service is such that even in times of peace it demands bravery, stamina, self reliance and professional mastery". He was speaking as seven army officers were decorated for "outstanding bravery" – presumably in Afghanistan, and presumably posthumously since no other details were given.

Ivor Davis reports on the bad days at Big Rock









On shaky ground, from left, John Houseman, Barbra Streisand, Neil Diamond and Goldie Hawn

How the earth moved the stars

Los Angeles

Last year actor John Houseman lived happily in a one million dollar clifftop house in a celebrity studded community here known as Big Rock.

Today Houseman and his wife have removed their valuable collection of antiques. Their superb indoor pool is drained and the magnificent ranch-style house is considered worthless.

His home, and dozens of others in this Malibu Beach community overlooking the Pacific, are slipping at the rate of nearly half an inch a week towards the ocean.

Houseman has moved out. Last week 13 Big Rock residents were ordered to abandon their homes by Los Angeles county geologists.

The community of Malibu, population 17,000, is no stranger to the bizarre vagaries of Mother Nature. The town, home to scores of stars including Barbra Streisand, Cary Grant, Neil Diamond, Paul Newman and Goldie Hawn, has endured fires, mudslides and floods over the years. In the wake of the eviction order LA county supervisors have ordered a probe into whether the county acted improperly in issuing building permits in the Big Rock district. The slow-moving landslide threatens to send the expensive houses crashing down on to even more expensive beachfront residences. Some beachfront people have evacuated their houses in case this should happen.

Authorities have spent half a million dollars trying in vain to repair cracking roads and disintegrating hillsides.

About two hundred residents have filed claims against the state of California and the county of Los Angeles seeking more than $8m in damages.

They charge that building permits were issued without adequate safeguards in an area prone to slides.

What caused the landslides? High ground water levels from heavy rains in recent years coupled with poor drainage are blamed for starting the earth movement. Half a million dollars has been spent to drain water from underground.

Houseman's personal secretary Diane Fleischman and her husband have been caretaking the home. A 10-feet fissure runs across the spacious living room. Every few minutes sharp snapping sounds can be heard as the house twists and groans its way down the cliff.

Neighbour Helen McLellan, who has been ordered to evacuate, said: "A few months ago I could have got half a million for my house – today you can't give it away".

Jock Bruce-Gardyne

Clubbing together against Britain

Tomorrow afternoon, while the Commons continues its appraisal of Chancellor Lawson's first Budget, Their Lordships are to offer timely words of advice to Mrs Thatcher on how to pay for Europe. Lord O'Brien, late of the Bank of England, is to initiate a discussion of the recent report from the Lords Select Committee on the European Communities. We shall have the benefit of Mr Heath's advice to Tory Euro-candidates and comments on the radio: and we shall be expecting to hear more from ministers about the surprise agreement in Brussels on Monday night to "cap" the butter mountain.

The Select Committee and the former Prime Minister came to closely similar conclusions: that the Community does need more cash: that "something must be done" to relate national contributions to ability to pay and that effective long-term restraints must be put on farm support. The Committee thinks it is high time the finance ministers were drawn in on the act of fixing annual farm price reviews instead of leaving it all to those pork-barrel promoters from the national agricultural ministries: while Mr Heath for his part, feels that a good deal less "intemperate language" (no names, no packdrill) would not be amiss.

It is all very statesmanlike and sensible, and the Foreign Office must thoroughly approve – notwithstanding the former Prime Minister's rude remarks about their boss. Sadly, it also seems to me a touch remote from what really looks like happening when the heads of government confront each other on Monday.

For surely there are two yawning gaps of credibility about the measured and moderate solutions to the present crisis in the Community advanced by Lord O'Brien's committee and Mr Heath. One is the conviction that if only Mrs Thatcher would agree to up the ante with a higher rate of VAT for Brussels, then the extra cash would go to all sorts of trendy high technology and socially concerned Community initiatives to give the *esprit communautaire* the "relaunch" over which so much oratory has been spilled in vain for 10 or more years. The other is that all our partners know, deep down in their hearts, that we poor British pay too much, and are ready and willing to grant us out-of-town subscription rates if only we would cease to stand beside the bar and bawl at them.

Unfortunately, both propositions have an air of unreality about them. The second is based on the undertaking which Edward Heath himself extracted from our future partners before we joined the club, that "should an unacceptable situation arise within ... an enlarged Community, the very survival of the Community would demand that the institutions find an equitable solution". Since the way we poor old Brits pay such a big sub and never have anything but crumbs to take home in our doggy-bag is plainly "unacceptable", everyone agrees that an "equitable solution" is called for.

But everyone does not agree. Nor, if we venture across the Channel and look backwards from their viewpoint for a moment, is it very obvious why they should. We joined a club whose charitable donations were essentially reserved for farmers, of whom we happen to have few, and even those we have don't often qualify. May be we thought that with us as members, the Community would broaden its horizons to shoulder responsibilties for miners and shipyard workers and makers of gull-wing cars in Northern Ireland. But it hasn't. What *has* changed – in the eyes of our partners – is that we've now found a gold mine at the bottom of our garden in the shape of North Sea oil, whereas they haven't. So if anyone is strapped for cash to pay the sub, it most certainly is not John Bull. A refund for a year or two may be a price worth paying to stop us boring on about our penury, but permanent cut-price membership is just not on.

The notion that an increase in club subscriptions would go to fund the "sunrise industries" (and some pet sunset ones on this side of the Channel) and not just to keep the farmers happy, flies equally in the *face of all experience. Oh yes*, the Foreign Ministers have agreed in theory to remove about half the present gap between the Euro-dairy and the milk and butter we consume (and we will need to scan the small print on that deal with care). But they only did so precisely because the cash *is* running out. As our own esteemed Minister of Agriculture said on Sunday night, "we must continue to live within our means". But he added "if the summit were to tell us that more money was available, that would be different". You bet it would.

So I very much fear that an irresistible force – the Community's approaching bankruptcy – is on its way to meet an immovable object: our Prime Minister's determination to block the increase in subscriptions unless first we get lasting satisfaction on the Budget, which we won't. I hope I'm wrong, and that Geoffrey Howe is right to predict that the summit meeting could yet end in happiness and light. For otherwise I have a nasty suspicion that M Jacques Chirac's gratuitous advice that we should take "temporary leave of Europe" could turn out to be imposed upon us.

Matthew Parrish

Nor iron bars a hero cage

I really had only three heroes, and two have just fallen. Mr Macmillan has taken a peerage and Elton John has taken a wife. Now I have lost the third. I write this on the train back from his cremation.

Mr Fred Hill died last week. He was serving his thirty-second, and, as it turned out, his last sentence in Pentonville Prison. He was 74.

I met him only twice. Once when he came to the House of Commons to address a little meeting of rather embarrassed MPs: once when I spotted him standing anonymously at the back of St Margaret's Church, at a colleague's memorial service. The Prime Minister was there too but I fancy that, among all that distinguished congregation, Ronnie Bell (whose passing we were there to mark) would have been happiest to see Fred.

Fred (everyone called him that) refused to wear a crash helmet. He believed that he was a safer motorcyclist without one. More importantly he held that, right or wrong, the decision was his to take and his alone.

He was bitter that the freedom to take it was extended to Sikhs without being extended to him – a convinced atheist. Many Sikhs agreed with him.

So Fred used to venture out, helmetless, on his old motorbike – perhaps the last man in Britain wilfully and persistently to do so. The police knew him and turned a blind eye when they could. Often enough, though, they had no choice but to prosecute, and the magistrates before whom he would appear had no choice but to send him to prison because he refused to pay fines.

Thirty days was the usual sentence but this time – responding perhaps to the splendid new mood of deterrent justice – they gave the old man two months. Some way through the sentence Fred suffered a heart-attack and died.

Heroic? He did not, when I met him, seem cast in the mould of a Thomas More or a Joan of Arc. He neither suffered nor was persecuted in the heroic manner. He was courteous, mild, sane and utterly unselfrighteous: a somewhat unlikely figure ... bemused almost.

A victim? No one meant to be unkind to him and many, including policemen and prison warders, tried to rescue him "from himself". I doubt whether he was made very miserable by the treatment he received. He felt he had a mission in life, took his jail sentences stoically, and used to help other prisoners write letters. He was happier than many pensioners I meet.

Ludicrous, then? I never thought so. Some people would have sneered at the huge wreath in the shape of a motorbike, sent to the cremation by the Motor Cycle Action Group: I found it rather moving, for I knew that there would have been a rally of thousands, there, if the family had wanted it. Rhodes Boyson (under whose headmastership Fred had once taught) did not think so either. He once wrote of him that he was "one of the finest teachers I have ever met". Both his MPs (one a Social Democrat and the next a Conservative) admired him.

Yet, though his father (a steel-worker and trade-unionist) and his mother (a suffragette and mill-worker) were convinced socialists, Fred is unlikely to receive the Nelson Mandela treatment. No "Fred Hill Crescent, NW1", no "Fred Hill Gardens" on the South Bank, for him! Not wearing a crash-helmet is unlikely to become one of the great socialist causes.

Nor do the Tories have much time for Fred's kind. All his career he refused to teach in the more "privileged" state schools. He had no time for the socially advantaged. A bit of an embarrassment, really, in his un-smart clothes and eccentric opinions. Individual freedom, to the Conservative Party, may be indivisible, but we tend to get more worked up about the freedoms of having and holding, of possessing and augmenting and passing it on ... freedom to be an embarrassment to the relations, freedom to be silly, is not quite what the Prime Minister has in mind!

Were you silly, then, Fred? Well, yes, maybe ... "Got it all a bit out of proportion," I think my colleagues would say.

Yes, Fred, you did have it out of proportion, and bless you for it!

Keep it out of proportion, Fred! Ignore the angels and archangels: take no notice of the cherubim and seraphim: you just keep plugging on about crash-helmets! Cherished freedoms be damned – nobody who wants to be reelected will touch the cherished freedoms: it's the uncherished ones we've got to watch: freedoms to do things the public consider silly, harmful, immoral or unnecessary.

You hurt nobody by riding bareheaded – nobody but yourself – but you inspired me and all who really knew you.

Your courage and resolution were finer even than the D M's because they never did you any good and you never thought they would. You didn't even expect recognition in the next world. You didn't believe in Heaven.

I hope you are wrong and I hope there are helmet laws there too; because you'll know just what to do, Fred!

The author is Conservative MP for West Derbyshire



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THE BUDGET'S POLITICS

A preliminary verdict on the economic philosophy of Mr Lawson's first budget is given in the article below, but, as with all budgets, its full evaluation has to be measured against the Government's political strategy for a second term. Since last year's general election that strategy has been somewhat elusive, as much inside the Cabinet room as outside it. It seemed to await some resolution of an argument, or at least a divergent set of attitudes, between Tory radicals and Tory consolidators. The former wish to exploit the general election result with a new burst of energy, while the latter seem to feel that, with the achievement of a major reduction in inflation behind it, the Government could afford to ease up the pressure on government spending and hope that a genial aspiration of growth would float it gently forward to the next election.

This period of uncertainty was concluded by the Prime Minister's television interview with Mr Brian Walden, in which she made it clear that no further attempt to cut government spending would be made. It would be held at its present levels for the life of this parliament. In other words, the Prime Minister had become a consolidator. It was clear that the thrust of the Government had changed to one in which ministers would simply hope to manage the mixed economy better than their predecessors. They do not otherwise intend fundamentally to change its proportions between public and private spending except in so far as some margin can be achieved by moderate and sustained growth.

For a government with a large majority and a rhetorical reputation which certainly exceeds its performance, there are dangers in this strategy of consolidation. Chance, as Pasteur said, visits the prepared mind. Presumably mischance is therefore likely to inhabit the empty one. Hence the arrival of what has fashionably become known as the banana skin.

Although the Prime Minister last Friday set out the Government's objectives for the remainder of this parliament there was a certain lack of excitement about the list. It was as though the shine had come off the ball, and Mr Tebbit apart, this cabinet is certainly short of good spin-bowlers.

It was therefore important in political terms for Mr Lawson to shine it up again. He had to give some impression of a radical intent to a government which otherwise would be condemned each year to a defensive strategy holding down public spending at its present levels without being able to give any promise that such an exercise had its own reward.

Mr Lawson's tax changes have some radical flavour to them. The more that can be done to encourage individual enterprise in business, investment and savings the better. The momentum of collectivism in this kind of mixed economy is enormous. It has not been reassuring to see a government express such a marked preference for consolidation over an aggressive counter-attack on the collectivist model which has so permeated our economy and institutions and so undermined the spirit of individualism. To the extent that Mr Lawson has helped individuals reassert their economic responsibilities, he has assisted in the counter attack on collectivism.

But the whiff of radicalism in the tax changes in the corporate and personal sector cannot conceal the fact that, in political terms, this is a consolidators budget. That is what one would expect of the Chancellor now that the Prime Minister has called the tune, but it is not only in economic terms that this Budget takes much on trust. It is in political terms as well. Against the momentum of collectivism in this mixed economy the Government advances a simple laudable and politically compelling hope of progressive reduction in taxation. It will need luck as well as good management if such a hope is not to be beaten, as before, by experience.

THE BUDGET'S ECONOMICS

Mr Lawson began his Budget speech with challenging words. "We shall continue the policies that we have followed consistently since 1979. These policies provide the only way to achieve our ultimate objective of stable prices." If these words are to be believed, the Government wants to end inflation once and for all.

A careful reading of the Budget documents shows that it intends to do no such thing. On the contrary, it is still planning for inflation. Table 5.5., on "Public expenditure in cash and cost terms and as a percentage of GDP", projects a GDP deflator of 4¾ per cent in 1984/85, 4¼ per cent in 1985/86 and 4 per cent in 1986/87. In plain English, the Government is basing its macro-economic strategy on an inflation rate of about 4 per cent, a rate sufficient to cause the price level to rise about tenfold in a lifetime.

Although this would be a great improvement on performance in the 1970s, it is not sound money and the Government cannot pretend that it is. Some people still argue that a set of institutions and arrangements has grown up which depends on continuing inflation and that a determined move towards nil inflation might disturb reasonable expectations. But the same argument was heard when the inflation rate was 15 per cent and 10 per cent and the Government saw no virtue in stabilizing inflation at those levels.

And why is the British Government, which has become known for its noisiness on honest money, unwilling to match inflation figures already reached in other major industrial nations? In Japan consumer prices have risen by 1.6 per cent in the past twelve months and in West Germany by 2.9 per cent. No doubt inflation in these two countries will go even lower while Mr Lawson and his colleagues are agonizing over whether the Government should commit itself to 4 per cent or 4¼ per cent in five years' time.

In fact, Mr Lawson does not want to gear monetary and fiscal policy to defeating inflation. Instead he is happy enough leaving inflation where it is and taking every opportunity he can to cut taxes in order to stimulate the supply side of the economy. When allowance is made for inflation, the full year effect of yesterday's measures is to cut taxation by £1,730m. One of the main beneficiaries is the corporate sector which Mr Lawson clearly hopes will be an engine of economic growth.

In his first Budget Mr Lawson has shown himself to be a supply-sider rather than a monetarist. Mr Reagan would no doubt be delighted if the USA's financial position were strong enough for his Treasury Secretary to push through a tax package as incentive-minded and stimulatory as that announced in the House of Commons yeserday. But the USA cannot have more tax cuts because those already implemented are causing serious financial imbalances and giving no help whatever to the supply side of the American economy.

Indeed, there is a striking and ironic contrast between the spectacular improvement in productivity trends in Britain, which under Mrs Thatcher has given priority to cutting the budget deficit regardless of the resulting increase in the tax burden, and the drab productivity numbers now coming out of the USA, where the Administration's policy has been to give a deliberate boost to the supply side by tax cuts and reforms. So why is the Government changing emphasis now?

Fortunately, the excesses of the American supply-siders will not be matched here. Mr Lawson is hemmed in by the medium-term financial strategy introduced by his predecessor. Indeed, there are the predictable tables showing the PSBR/GDP ratio and money supply growth falling steadily over the lifetime of the Government. But the difference in attitude between Mr Lawson and Sir Geoffrey Howe is substantial. In his first version of the MTFS Sir Geoffrey planned to bring the PSBR/GDP ratio down to 1½ per cent in 1983/84, even though his starting point was in 1979/80 a PSBR/GDP ratio of over 4 per cent. In his first version of the MTFS Mr Lawson evisages cutting the PSBR/GDP ratio from 3¼ per cent in 1983/84 to 1¾ per cent in 1988/89.

It is not an encouraging omen that in Mr Lawson's first year as Chancellor the PSBR has exceeded target by £2b. The reasons, in the bland prose of the *Financial Statement and Budget Report*, are that "local authority borrowing seems to be running much higher than expected, and central government expenditure, particularly on cash-limited programmes, has exceeded last year's forecasts".

A BLIND EYE IN AFRICA

The Organization of African Unity exists in a continual state of crisis, and the fact that it managed last week to hold a meeting in Addis Ababa of the ministerial council is in itself a matter for congratulation. But fundamental weaknesses in the organization have been illustrated: financially, as always, because members do not pay their dues; in the muffled response to the peace that seems about to break out on the borders of South Africa (there is a resentment in parts of Africa because someone appears to have shot their fox); but most vividly in the two African wars that did not figure at all on the Addis Ababa agenda.

First, there is the conflict in the Western Sahara and the basic problem of whether an independent state exists there, the Sahrawi Arab Democratic Republic, or whether there are only some Polisario Front guerrillas fighting against Morocco.

Twenty-eight African states now recognize the Sahrawi Republic as an independent state. The secretariat of the OAU, acting somewhat precipitately at a ministerial meeting two years ago, admitted it as the fifty-first member of the OAU. Morocco immediately led a substantial minority in a walk-out, and this has since repeatedly prevented a two-thirds quorum being reached at OAU meetings. This week's ministerial council, and last year's summit, were only possible because the Polisario leaders agreed to stay away, without prejudice to their basic position. They have said they will not stay away from the next summit, due in Conakry, Guinea, in May or June.

The dispute thus threatens the whole existence of the organization. An OAU reconciliation committee, which is charged with arranging a ceasefire and a referendum in the Western Sahara has not met since September when things broke up over the refusal of the Moroccans to sit down with the Polisario leaders.

Intense diplomatic activity in the Maghreb – with talks between Morocco, Algeria, Tunisia and even Libya – seemed at one time to promise something, but this promise has now faded. Fighting continues in the desert, and the affair must be counted as a most serious failure of the OAU in its basic function of keeping the peace among its members.

The second failure, ironically right under the noses of the ministers meeting in Addis Ababa, comes because no real attempt has ever been made by the OAU to end Africa's longest war, the twenty-one-year-old struggle for independence from Ethiopia by the people of Eritrea. The OAU has always turned its face away from this conflict in the Horn of Africa because of two principles that were established at the birth of the organization in 1963: that colonial boundaries would be respected, and that there would be no interference in the internal affairs of member states.

There have always been some strong counter-arguments. Eritrea was never part of Ethiopia and is of legitimate international concern because it was incorporated into Ethiopia as a result of United Nations action: a 1950 decision which proposed a federation that never came into effect. Moreover, the OAU rules were designed to help the colonized and not the colonizers (or else Pretoria could claim some rights to stay in Windhoek), and Ethiopia is an imperialist power. (The same argument is applied, though with less force, to other peoples that would break away from Addis Ababa – notably the Somalis of the Ogaden.)

The OAU has allowed its "good offices" to be used to ease the associated tensions that have in the past arisen between the Sudan and Ethiopia and between Somalia and Ethiopia, but it has always felt unable to address the central problem. It is understandable that African governments should shy away from opening the Pandora's Box of border problems and minorities who wish to secede from a central government: throughout the continent the bond of nationalism has always been fragile. But on the other hand it is surely absurd that a pan-African organization can continue to ignore a 21-year-old war involving Foreign troops in the continent's most internationally sensitive area.

LETTERS TO THE EDITOR

Double standards on marriage

From the Vicar of the University Church, Cambridge

Sir, Your leader on "The marriage bond" (February 25) is in marked contrast to your leader on "The marriage of the divorced" (April 22, 1971). You then wrote: "The Church should be prepared to remarry divorced persons. Christian charity and compassion, as well as a sense of social and personal realism, justify divorce in certain circumstances. In those cases it is reasonable for the Church to approve of a second marriage, and where it approves of a marriage it should be ready to perform it".

Chancellor Garth Moore (March 1) states that the only official doctrine of marriage in the Church of England is that it is indissoluble, and he advises the bishops, before any legislation is passed by General Synod, to consult "a body of trained theologians and canonists". He seems to ignore the two major theological commissions set up to report to General Synod on marriage and divorce, which they did in 1971 and 1978.

Those reports show there to be clear evidence that in both the Eastern and Western Church during the first millennium divorce and remarriage were sometimes allowed; that in the Middle Ages, when the doctrine of indissolubility hardened, the Western Church dealt with the problem of marriage breakdown by enlarging the grounds for nullity; and that since the Reformation there have been two main theological traditions in the Church of England, those who believe a marriage cannot be dissolved, and those who believe that irretrievable breakdown can occur which can sever the bond even more surely and tragically than death.

"The Church of England has never officially committed itself to (nor has it officially repudiated) the scholastic doctrine of the indissolubility of the marriage bond" (*Marriage and the Church's Task*, page 54, a report of the commission which included two diocesan chancellors). It was a hundred years ago that, in the Anglican Church, the indissolubilist position began to be strengthened (even though such high churchmen as William Bright and Bishop Edward King rejected it); but in more recent times a good many provinces in the Anglican Communion have amended their discipline so as to allow, in certain cases, remarriage in church, and so implicitly rejected the doctrine of indissolubility.

Those who support a more liberal approach to the remarriage of the divorced are not denying the lifelong nature of marriage. They are trying to hold the balance between Christ's commands and Christ's compassion – not, as Ronald Butt suggests (March 1), "a compassion drawn from the climate of the times". Where rules are applied without thought for people in all their differing circumstances they may become the kind of heartless legalism Jesus so clearly condemned.

Yours faithfully,
MICHAEL MAYNE, Vicar,
Great St Mary's,
Cambridge.

Artistic freedom

From Professor Edward Garden

Sir, John Burton (March 7) is entitled to his views concerning uneconomic coalmines and Arts Council subsidies, though these views are philistine enough to be more typical of readers of one of your sister newspapers, which shall be nameless, rather than of *The Times*. However, to use his own word, the "naiveté" of his bland statement that "the distribution of money by the state and its agencies" must "be influenced by political criteria" because "the state is a political organisation" is mind-boggling.

If this were indeed the case the BBC, funded as it is by a licence fee raised by the Chancellor – usually in the Budget – would necessarily be influenced by the government in power. As every one knows, it is not, thanks mainly to the splendid Scots audacious stalwartness of Reith, who in 1926 resolutely resisted the political coercion of Winston Churchill.

Similarly, the universities, funded to a large extent by the state, have hitherto enjoyed a freedom from political hegemony which has been beneficial to all. Such freedoms as these need to be guarded against erosion; otherwise, in the end there will be little to choose between the political systems of East and West.

Yours faithfully,
EDWARD GARDEN,
(Professor of Music),
University of Sheffield,
Sheffield, South Yorkshire.

Local radio on a sounder footing

From Mr John R. Rathbone, MP for Lewes (Conservative)

Sir, Some years ago, before ever independent local radio came on the air, you were kind enough to give me space in your columns to plead with the then Labour Party Home Secretary for the speedy licensing of the maximum number of applications for this exciting new service.

Since then 50 areas have been allowed their own local radio station (42 of which are already on air) and the BBC has continued to expand the number of local radio stations it operates.

But more and more of these have been granted on a regional basis rather than a really local basis; and, with the exception of the news station, London Broadcasting, none of the independent local stations caters for special-interest groups.

Because of this, quite a large number of small commercial radio stations have started broadcasting (report, March 8); but unfortunately the real service they provide is provided illegally because they don't have a licence to broadcast.

May I add my voice in support of the pressures they are bringing on the Government and the Independent Broadcasting Authority to change their rules to allow them to exist and do their work legally?

This is not to plead for additional frequencies; they can use existing allocations but use them at a very low wattage.

It is not to excuse their present illegal broadcasting; rather it is to argue for the inclusion of that broadcasting within licensing agreements so that they may make their own contribution to IBA costs and be allowed to operate in the same way that licensed radio station operators are allowed to broadcast in many other countries in Europe and in the United States and Australia.

You report that 54 stations are now licensed to operate in the Greater Paris area, which is considerably smaller than Greater London.

Not only would such radio stations enhance the diversity of broadcasting, but they would provide local businesses with a new and vibrant medium on which to advertise, which is another reason that they would benefit the communities they seek to serve.

Yours sincerely,
TIM RATHBONE,
House of Commons.
March 8.

From the Director General of the Independent Broadcasting Authority

Sir, Your article on Radio Jackie (March 8), one of about 50 pirate stations operating in Britain, gave the fact that the revenue of legal stations is being eroded as the only reason why the IBA is urging the Government to crack down.

There are many other reasons why we are against pirate broadcasting generally – the theft of news bulletins, the non-payment of copyright fees, the avoidance of union rates of pay and the lack of advertising regulations. We note that the Home Secretary shares our view.

The key point for the public is that pirate activity operates outside the law and strikes at the heart of public-service broadcasting. It threatens the provision of a viable local radio service of quality and balance.

If pirate radio stations are allowed to continue operating outside both the law and the regulatory system, then the high standards of British broadcasting – built up over many years, – will be adversely affected. Examples of the chaos produced by unregulated broadcasting can be seen outside the United Kingdom.

It is our view that the operations of these illegal predators must be stopped before they cause real and lasting damage.

Yours faithfully,
JOHN WHITNEY,
Director-General,
Independent Broadcasting Authority,
70 Brompton Road, SW3.
March 9.

National Trust help

From Mr Mark Tennant

Sir, It may be that Kingston Lacy is, as Mr Lees-Milne asserts (February 24), one of the fairly rare remaining cases where a family with a fine house containing remarkable possessions and wealth in addition finds that the National Trust is the only alternative to being obliterated by taxation.

Lord Saye and Sele wrote recently (January 26) of his predicament and Calke Abbey is notorious, but many owners are finding that by obtaining "designation" for the house the grounds and the best objects and by putting an appropriate amount of their wealth into a maintenance fund, they can keep control of their possessions at the price of fulfilling part of the role of the National Trust themselves. Capital transfer tax is thus much reduced, but another house is opened or kept open to the public.

It is too early to assess how well the comparatively new legislation will serve the nation and the individuals concerned. Much will depend on how sensibly the scheme is administered by the Treasury.

All the same, families will be moved not only by the desire to retain their own but also by the demands and behaviour of the National Trust. It tends to require vast endowments which it spends lavishly in ways the family would never contemplate, bringing the property into "showroom condition" and attracting the largest herds of visitors possible for the longest possible season.

Its apologists may justify all it does, but how alluring is it any longer as the recipient of beneficence from an owner who has a real choice?

Yours etc,
MARK TENNANT,
8 New Square,
Lincoln's Inn, WC2.
March 7.

'Light rail' experience

From Mr John G. Glover

Sir, George Brock ("Shunted aside..." March 6) seems in danger of being carried away by his enthusiasm for new technology. The transport industry is littered with expensive examples of inappropriate technical solutions pursuing insufficiently defined problems. There are some 300 towns and cities around the world where "light rail" is in operation today, including Lille, and it would be well to build upon the experience of all of them.

In Docklands, the planned initial passenger flow to be catered for is 2,500 passengers per hour, rising over time to a design maximum of around 8,000. In contrast, "heavy" rapid transit, such as the London Underground, can carry flows of up to 20,000 per hour and would clearly be over-specified for the job.

In practical terms the Docklands initial figure is right at the bottom end of the traffic levels justifying a rail-based solution and would be within the capability of buses. As demand rises, some form of "light rail" technology becomes appropriate.

A major consideration is the right of way. The Docklands system is unusual in that it will use abandoned railway track beds for three quarters of its length. Thus a technical ability to tackle sharp curves and steep gradients, a feature of many installations, is of little relevance. Neither is the staffing of trains as simple as Mr Brock makes out.

Internationally, driverless trains are still in their infancy, and elaborate and costly safety precautions are necessary, not least to allay the understandable misgivings of the travelling public. Manned trains enable less sophisticated equipment to be used and that man may also be used to carry out fraud prevention and other duties.

I have no wish to disparage in any way the Lille system; this letter is merely a plea that high-tech should not be seen as an end in iteself.

Reported claims that any *system* could be built and operated without subsidy are specious. The net financial result needs to take in other factors, such as the potential patronage and actual usage.

Yours faithfully,
JOHN G. GLOVER,
4 Poole Road,
Epsom,
Surrey.
March 7.

Conduct unbecoming

From Mr A. F. Deveson

Sir, The wise pedestrian, faced with undipped headlights, keeps his eyes on his feet. He suffers no inconvenience and is safe in the knowledge that he is clearly seen.

If, however, on a country road, he is about to be simultaneously overtaken by a car, he buries himself in the hedge.

Yours faithfully,
A. F. DEVESON,
10 Hampden Drive,
Kidlington,
Oxford.
March 10.

Liverpool luminaries

From Mr Simon Lindley

Sir, Peter Lennon's "profile" of the City of Liverpool (March 2) seeks to highlight in a cursory manner many of that conurbation's serious difficulties. To see the work of the churches in the light of "old paternalistic institutions" shews lack of reception. The efforts of Archbishop Worlock and Bishop Sheppard extend a good deal further than the heading of marches: the combined spiritual leadership of these and numerous other men must give hope for the future, a hope which your writer sees enshrined in the financial grants which gave birth to the Garden City Festival.

For many of us in the North of England, Liverpool is renowned for an outstanding lead in art and education; in music especially. The unsung work of the two cathedral choirs, both taking boys from all walks of life rather than from one particular area or school, is of inestimable value to the musical life of the city as well as of the nation.

To issue a profile of one of England's most important artistic centres with no mention of the Royal Liverpool Philharmonic Society, either of its two large choral associations (or its cathedral choirs) shews us that the work of Messrs Weller, Waters, Rawsthorne, Duffy (both of them), Tracey and countless other musical luminaries of our time is but scantily known or appreciated. It *is*, in great measure, by many of your readers.

Yours etc,
SIMON LINDLEY,
Highthorne House,
Shadwell Lane,
Leeds,
West Yorkshire.
March 2.

Imprisoned in Poland

From Sir Bernard Braine, MP for Castle Point (Conservative)

Sir, Your Warsaw Correspondent again brings to our attention (*The Times*, March 1) the sufferings of the imprisoned Solidarity leaders in Poland, none of whom is guilty of any crime in the Western calendar. Many of these brave men are now on hunger strike in a desperate attempt to obtain the status of political prisoners. One of them, Janusz Palubicki, is described as being "in agony" after refusing food for many weeks.

The Solidarity underground has appealed for international pressure to be brought to safeguard the lives and health of these men.

In response, and on behalf of the British Solidarity with Poland Campaign, I therefore call on General Jaruzelski to assure world opinion without delay that such protection will be given and, as a beginning, family visits will be permitted.

Such a gesture, followed by the early release of all political prisoners, would surely provide welcome proof of the Polish Government's desire to contribute to the relaxation of East/West tensions for which millions of people on both sides are praying.

Yours faithfully,
BERNARD BRAINE,
House of Commons.
March 1.

Boxing injuries in perspective

From Mr Laurence Cotterell

Sir, Having bored us to distraction over smoking, drinking, eating the wrong food, getting too fat or too thin and taking or not taking a lot of exercise, doctors make fresh headlines by resurrecting the controversy of the mid-1950s, when Dr Edith Summerskill was in full cry after the boxers. When the present furore runs out of steam, no doubt some BMA coven will find that the constant abdominal swinging of golfers damages the kidneys.

Primitive man did not use fists to attack a foe: he picked up a stone or a stick. Boxing represents a civilized advance, the canalizing of a natural urge into an ordered form. Two of the best boxers I ever knew were pacifists, while the warmakers have all too often been men whose natural combative instincts were unnaturally suppressed in youth.

It might be more honest if these medical crusaders were to compare scannings of boxers' heads with those of a similar number of rugby forwards, high divers and ball-heading soccer players – samples taken, in fact, from the practitioners of all pursuits in which considerable jarring occurs.

The constructive and non-sensational value of medical evidence lies in its tacit indication of the need for reforms. There should be a minimum degree of proven efficiency in any young man who wants to be a professional boxer, for it is the inferior exponent who becomes punch-drunk.

The successful boxer who exhibits the same symptoms is almost always the one who has been forced by economic necessity to carry on too long and it is absolutely essential that a proper pension scheme should be underwritten by promoters and managers, as in other trades. A higher standard of fitness (and eyes that cut easily should be eliminating factors) and a maximum retiring age should be observed.

Regular boxing audiences show anger if a referee does *not* stop a bout that has become too one-sided. It is at the "big fight", where rich vulgarians and their overdressed ladies assemble, that the cries of the Coliseum are echoed and those audiences represent the true followers of boxing about as much as the occupants of seats at the Cup final represent the regular soccer fans.

Yours faithfully,
LAURENCE COTTERELL,
121 St Paul's Wood Hill,
St Paul's Cray,
Kent.
March 11.

New exam level

From Mr David Raeburn

Sir, Lord Flowers's letter (March 8) supporting the introduction of an I-level examination to develop greater breadth and balance in the sixth-form curriculum will be warmly welcomed by heads of many schools with strong academic traditions.

The London Division of the Headmasters' Conference recently expressed its support for this important development but was concerned, like Lord Flowers, that prospective undergraduates in all disciplines should be actively encouraged by university and faculty admission requirements to take advantage of this new examination level.

We are indeed hoping that the next few years will offer universities themselves the opportunity to reappraise the structure and content of their degree courses and the general educational purpose which underlies them.

Your faithfully,
DAVID RAEBURN, Chairman,
London Division,
Headmasters' Conference,
Whitgift School,
Haling Park,
South Croydon,
Surrey.
March 8.

Rise in gas prices

From Mrs June T. Fearne

Sir, I would like to comment on Mrs Thatcher's decision to increase gas prices by a reputed 40 per cent in addition to the increase in electricity already announced.

1. Does she realise that the people worst hit will be pensioners and people on fixed incomes, from which source a great proportion of her voters spring?
2. With the increasing number of people in the over-65 age group, an increasing proportion of potential Conservative voters will become disaffected.
3. What she gains in income from this increase could well be lost by increased social-security benefits to help pay fuel bills.
4. There are a large number of the population who, due to the recession, have had to take early retirement on reduced occupational pensions, no state pension and no social security benefit if their income is over £53 per week. They are quite unable to cope with rises of this magnitude.

Yours faithfully,
JUNE T. FEARNE,
63 Tachbrook Road,
Feltham,
Middlesex.
March 8.

Lost hope?

From Mrs Pamela Hutchinson

Sir, Friends of the vanishing apostrophe should start with Westminster City Council, whose vans carry the message: "Were working for a cleaner City".

Yours faithfully,
PAMELA HUTCHINSON,
6 Cleveland Gardens, W2.
March 12.



COURT AND SOCIAL

COURT CIRCULAR

BUCKINGHAM PALACE

March 13: The Queen held an Investiture at Buckingham Palace this morning.

Mr C. G. Mays (British High Commissioner to the Republic of Seychelles) and Mrs Mays had the honour of being received by Her Majesty.

The Right Hon Margaret Thatcher, MP (Prime Minister and First Lord of the Treasury) had an audience of The Queen this evening.

The Duke of Edinburgh this morning visited London Docklands and was received on arrival at Tower Pier by the Chairman of the London Docklands Development Corporation (Mr Nigel Broackes).

Afterwards, His Royal Highness travelled in an aircraft of The Queen's Flight to Bexley and, having been received by Her Majesty's Lord-Lieutenant of Greater London (the Baroness Phillips), was entertained at luncheon at Bexley Civic Offices by the Mayor (Councillor J. B. Raggett).

The Duke of Edinburgh subsequently opened and toured the Broadway Shopping Centre and the Wolsley House Home for the Elderly at Bexleyheath.

Mr Richard Davies was in attendance.

The Duke of Edinburgh, Patron of the British Heart Foundation Appeal, this evening attended a dinner marking the retirement of the Viscount De L'Isle, VC as President of the Foundation, at White's Club, St James's Street, SW1.

Mr Brian McGrath was in attendance.

Mrs John Dugdale has succeeded the Hon Mary Morrison as Lady in Waiting to The Queen.

CLARENCE HOUSE

March 13: Mrs Patrick Campbell-Preston has succeeded Lady Jean Rankin as Lady-in-Waiting to Queen Elizabeth The Queen Mother.

KENSINGTON PALACE

March 13: The Prince of Wales, President, The Prince of Wales's Advisory Group on Disability, gave a luncheon at Kensington Palace for Architects and others concerned with the problem of access by disabled people to the man-made environment.

His Royal Highness, President The Royal Jubilee Trusts, and President, The Prince's Trust, this afternoon at Kensington Palace presided at a meeting of the President's Committee.

The Princess of Wales this morning visited the Rheumatology Unit at the Hammersmith Hospital, W12.

Miss Anne Beckwith-Smith and Lieutenant-Commander Peter Eberle, RN, were in attendance.

March 13: The Duke of Gloucester, President, St Bartholomew's Hospital, this morning received Dr A. M. Dawson (Chairman of the Archives Committee) with Miss M. E. Turner and Mr M. Taylor (Members of the Committee).

Queen Elizabeth the Queen Mother will present the Royal National Lifeboat Institution awards at the Festival Hall, on May 15.

Queen Elizabeth the Queen Mother will open the Maritime Museum in Aberdeen, on May 24.

Princess Alexandra will present the Britannia Arrow Ross McWhirter Young Citizens Awards at Goldsmith's Hall, on April 12.

Princess Alexander will visit HMS Broadsword at Devonport Naval Base, Devon, on April 26.

A service of thanksgiving in memory of Sir Wilfred Burns will be held in the Crypt of St Paul's Cathedral on Wednesday, March 28, at 11.30am.

Requiem Mass for Mrs William Stirling of Keir will be offered at St Mary's Church, Cadogan Street, London, SW3 today at noon.

Latest wills

Mrs Evelyn Margaret Sutro, of Chelsea, London, left estate valued at £1,039,931 net.

Mrs Janet Patricia Vorzanger, of Greenford, London, Janet Webb, the actress, left estate valued at £43,123 net.

Mrs Gladys Eliza Thompson, of Worthing, West Sussex, left estate valued at £119,247 net. After a single bequest of £100 she left the residue equally between the Distressed Gentlefolk's Aid Association and Arthritis & Rheumatism Council.

Professor Percy Ford, of Dibden Purlieu, Hants, former professor of economics, Southampton University, who built up the Ford Collection of Parliamentary Papers, left estate valued at £161,078 net.

Birthdays today

Professor Sir Kenneth Alexander, 62; Miss Pam Ayres, 37; Mr Michael Caine, 51; Mr John Elton, 60; Mr R. E. Eurich, 81; the Hon Alan Hare, 65; Sir Richard Hayward, 74; Sir Philip Holland, 67; Dame Margaret Kidd, QC, 84; Air Chief Marshal Sir Douglas Lowe, 62; Mr John McCallum, 66; Lord Marsh, 56; Sir Eric Norris, 66; Sir Richard Parsons, 56; Dame Betty Paterson, 68; Miss Tessa Sanderson, 28; Sir Harold Shearman, 88; Miss Rita Tushingham, 42; Mr John Wain, 59.

Latest appointments

Mr Arthur Crook to be President and Chairman of the Royal Literary Fund, in succession to Dr Janet Adam Smith, who is retiring this month after eight years in office.

Mr John Whitfield, Chairman of Surrey County Council, to be vice-chairman of the police committee of the Association of County Councils.

Brigadier A. F. R. Evans, late Royal Corps of Transport, to be Aide de Camp to the Queen, in succession to Brigadier R. E. L. Jenkins, retired.

Sale room

Ivory rat cornered for £16,200

By Geraldine Norman, Sale Room Correspondent

Christie's secured one of the highest prices on record for a Japanese netsuke carving yesterday when they sold a tiny ivory carving of a rat, crouching with its feet holding a large and a small bean pod for £16,200 (estimate £12,000 to £18,000).

The rat with amber eyes was carved by Kaigyokusai Masatsugu, an early nineteenth century Osaka carver of renown. It is an exceptionally fine example and was sold with its brocaded bag and hinoki box. The successful bidder was a private collector.

Christie's morning sale of Japanese porcelain, lacquer and swords made £114,750 with 24 per cent left unsold. The bidding was selective with a pair of unusual, deep Kakiemon porcelain dishes fetching £3,780 (estimate £4,000 to £6,000) while a single, slightly smaller deep dish, also dating from around 1690, was left unsold at £1,200 (estimate £2,000 to £3,000).

A nineteenth century lacquer tray richly decorated with the "seven sages of the bamboo grove" made £3,024 (estimate £2,000 to £3,000) while a suit of black lacquer nineteenth century armour made the same price (estimate £3,500 to £5,000).

At Phillips prices for modern British paintings were up and down, with fierce competition on some lots and none on others. The sale totalled £137,246 with 33 per cent unsold.

A Henry Moore drawing, dating from 1940, the most sought after period, sold for £28,600 (estimate £12,000 to £15,000). It depicts two very rounded seated women, the style characteristic of his wartime "shelter drawings". The drawing formerly belonged to Lord Clark, the art historian. This probably helped the price which was established by a determined private collector outbidding Marlborough Fine Art, the dealers.

A second Henry Moore "shelter drawing", entitled "Two Swathed Figures" was left unsold, at £4,800 (estimate £6,000 to £8,000). It was less distinguished and had no exciting provenance.

The other outstanding high points of the sale were two paintings by John Minton. Agnew's paid £6,600 (estimate £2,500 to £3,000) for his "Corsican Cemetery", of 1948, exhibited at the Arts Council Memorial Exhibition that year. His haunting "Figure in a Landscape", of 1944, dwarfed by spikey bushes, made £5,280 (estimate £1,500 to £2,000).

Entente musicale: The chamber orchestra of The King's School, Canterbury, is to perform abroad for the first time on Saturday when it gives a concert in Rheims, France, Canterbury's "twin" city. The weekend visit will include tours of the cathedral and champagne cellars (Photograph: John Manning.)

Forthcoming marriages

Mr J. M. Ellison and Mlle C. G. C van Schendel

The engagement is announced between Jonathan, son of the Right Rev G. A. Ellison, Vicar General of Bermuda, and Mrs G. A. Ellison, of Hamilton, Bermuda, and Cerne Abbas, Dorset, and Catharine, elder daughter of M and Mme G. M. van Schendel, of Court-St Etienne, Belgium.

Mr J. A. G. Baird and Miss J. M. Jardine

The engagement is announced between James Andrew Gardiner, elder son of Sir James Baird, Bt, MC, and Lady Baird, of Hill Corner, Bembridge, Isle of Wight, and Jean Margaret, younger daughter of the late Brigidier Sir Ian Jardine, Bt, OBE, MC, and of Lady Jardine, of Coombe Place, Meonstoke, Hampshire.

Mr R. N. Constanduros and Miss J. C. Partington

The marriage will take place on May 26 at St Mary's, West Horsley of Robert Nigel, younger son of the late Mr Michael Constanduros and Mrs Hilda Constanduros, of Beauly, Inverness, and Jane Cecilia, daughter of Mr Eric and Mrs Vera Partington, of Crossways, Purley, Surrey.

Mr J. S. George and Miss T. White

The engagement is announced between John, eldest son of Mr and Mrs Rodney George, of Goring on Thames, and Terry, only daughter of Mr J. White and Mrs M. A. Stewart, of Durban, South Africa.

Mr P. J. Gilmore and Miss A. Ferreira

The marriage will take place on March 17 in St Pauls Church, Durban, South Africa, between Patrick, elder son of The Rev Canon Norman and Mrs Gilmore, of Rustington, West Sussex, and Ana, daughter of Mr and Mrs J. Ferreira, of Empangeni, Kwazulu.

Mr N. G. Mills and Miss J. Morgan

The marriage will take place in Trinidad on August 25 between Nigel, son of Mr and Mrs A. J. Mills, of Dormans Park, East Grinstead, Sussex, and Julie daughter of Mr and Mrs J. Morgan, of Port of Spain, Trinidad.

Mr J. P. H. Nicholson and Miss R. P. G. Clark

The engagement is announced between Philip, son of Mrs M. Nicholson and the late Brigadier J. G. Nicholson, of Crowborough, Sussex, and Rosalie, daughter of Mr R. B. Clark and the late Mrs M. Clark, of Chillingham, Northumberland.

Mr. G. Olivier and Miss J. E. Young

The engagement is announced between George, eldest son of Dr and Mrs R. Olivier, of Highgate, London and Jane Elizabeth, eldest daughter of Mr B. Young, of Hedgerley, Buckinghamshire, and Mrs P. Young, of Derby.

Mr D. J. Scott and Miss C. B. James-Lennon

The engagement is announced between David John, eldest son of Mr and Mrs P. Scott, and Carole Barbara, second daughter of Mr D. James and Mrs J. Lennon.

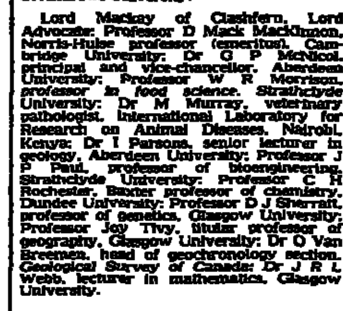
Royal Society of Edinburgh

The following have been elected Fellows of the Royal Society of Edinburgh:

Viscount of Arbuthnott, chartered surveyor; Professor J S Beck, John Swanson, professor of pathology, Dundee University; Dr A G Brown, reader in veterinary physiology, Royal (Dick) Veterinary School, Edinburgh University; Dr J C Brown, reader in astronomy, Glasgow University; Vice-Admiral Sir Lindsay Bryson, Controller of the Navy; Professor D T Burns, professor of analytical chemistry, Queen's University, Belfast; Professor M M Campell, professor of chemistry, Bath University; Dr Ann C Chandley, cytogeneticist; Dr E N K Clarkson, reader in palaeontology, Edinburgh University.

Professor P Cohen, professor of enzymology, Dundee University; Emilio Coia, artist; Dr J J Connell, director of Torry Research Station, Aberdeen; Professor G T Ewan, professor of physics, Queen's University, Kingston, Ontario, Canada; Professor E G Forbes, professor of history of science, Edinburgh University; Professor A C Kennedy, Muirhead professor of medicine, Glasgow University; Dr P G Le Comber, senior lecturer in physics, Dundee University; Dr I D MacDonald, senior lecturer in mathematics, Stirling University; Professor W McKane, professor of Hebrew and oriental languages, St Andrews University.

Lord Mackay of Clashfern, Lord Advocate; Professor D Mack MacKinnon, Norris-Hulse professor (emeritus), Cambridge University; Dr G P McNicol, principal and vice-chancellor, Aberdeen University; Professor W R Morrison, professor in food science, Strathclyde University; Dr M Murray, veterinary pathologist, International Laboratory for Research on Animal Diseases, Nairobi, Kenya; Dr I Parsons, senior lecturer in geology, Aberdeen University; Professor J P Paul, professor of bioengineering, Strathclyde University; Professor C H Rochester, Baxter professor of chemistry, Dundee University; Professor D J Sherratt, professor of genetics, Glasgow University; Professor Joy Tivy, titular professor of geography, Glasgow University; Dr O Van Breemen, head of geochronology section, Geological Survey of Canada; Dr J R L Webb, lecturer in mathematics, Glasgow University.



Commemorative service

A service has been arranged for 11 a.m. on Sunday, March 25, 1984, at St Clement Danes Church, Strand, London WC2, to mark the fortieth anniversary of the Great Escape from Stalagluft 3, and the subsequent shooting of 50 RAF officers after recapture.

Receptions

HM Government

The Defence Council entertained defence and service attachés in the United Kingdom and their ladies at a reception given in their honour by Her Majesty's Government at the Banqueting House yesterday evening. The guests were received by the Secretary of State for Defence and Mrs Heseltine and by the Chief of the Defence Staff and Lady Bramall.

Inter-Parliamentary Union

Mr Peter Temple-Morris, MP, Chairman of the British Group of the Inter-Parliamentary Union, and the executive were hosts at a reception given at the House of Commons yesterday in honour of ambassadors, diplomatic representatives, specialist members of the press and members of both Houses of Parliament concerned with the Middle East.

Dinners

Carmen's Company

The Lord Mayor, accompanied by the Sheriffs and their ladies, was present at the annual livery dinner of the Carmen's Company held at the Mansion House last night. The Master, Mr F. R. Bird, presided, assisted by the Wardens, Mr C. F. W. Birch and Mr O. Sunderland. The speakers were the Lord Mayor, the Master, the senior past master and the Common Serjeant of London.

Sutton Manor Arts Centre

Mr Alex Herbage, Director of the Sutton Manor Arts Centre, and Mrs Herbage last night held a dinner in honour of Dame Elisabeth Frink at the Dorchester hotel, London. Among those present were:

Lord and Lady Somers, Count Csaky, Mr and Mrs D De Silva, Mr N J Deva-Aditya, Mr J Hannam, MP, and Mrs Hannam, Mr R and Lady Olga Hay, Mr A Palmer, Mrs A Parker, Mr and Mrs A Pollard, Mr and Mrs D Sherlock, Mr R Smith, Dr and Mrs M Stuart and Mr L Waddington.

London House

The annual dinner for overseas and UK students of the Law Faculty was held in London House, Mecklenburgh Square, last night at the invitation of the governors and staff. Lady French presided and the guests included Lord Keith of Kinkel, Lord Justice Lawton, Lord Justice May, Mr Justice Scott, Mr Justice Bingham, Sir Ian Sinclair and Sir Peter Marshall.

Company of Environmental Cleaners

The Company of Environmental Cleaners held a dinner last night at Leeds University. The Master, Mr Harold Whiting, presided assisted by Mr David Watt, Mr Donald Wells and Mr Arthur Green.

The other speakers were Sir Edward Parkes, Vice-Chancellor of Leeds University, Dr George Gibbons, Chairman of the British Institute of Cleaning Science, Mr Barrington Black and Mr Donald Wells.

Royal College of Veterinary Surgeons

The president and officers of the Royal College of Veterinary Surgeons held a dinner at the Berkeley Hotel yesterday. The guests were:

Mr J Stradling Thomas, MP, Sir Peter Mills, MP, Mr C Shepherd, MP, Sir Hugh Fraser, Mr J L Crooks, Mr C R Hitchings, Mr B H Pound, Mr W H G Rees, Mr E Rowling, Professor I A Silver, Dr P D Storie-Pugh and Mr R A Wing.

Service dinner

Birmingham University Air Squadron

Birmingham University Air Squadron held its annual dinner last night at RAF Cosford. The Commanding Officer, Squadron Leader A. W. Semple, presided and the principal guest was the Controller, Aircraft, Ministry of Defence, Air Chief Marshal Sir John Rogers. Other guests included the AOC and Commandant, RAF College Cranwell, the Director General of Organization (RAF), the Pro-Chancellor and Vice-Chancellor of Birminghan University, the Vice-Chancellors of Keele and Aston Universities and the Director of Lanchester Polytechnic.

Science report

Iron makes a comeback in the magnetic field

By Pearce Wright, Science Editor

During the past few months several research groups in the United States and in Japan have arrived simultaneously at the development of a new class of compounds from which to form powerful magnets of importance for commercial purposes and research.

The discoveries may also be something of a surprise to people who think that the most common materials for making permanent magnets contain lots of iron. In practice the best permanent magnets use little or no iron. But now it is making a come back.

Applications for permanent magnets range from the novelty on a desk to retain paper clips to large and expensive precision-made objects in modern broadcasting and military communications equipment.

The most widespread domestic use of high quality magnets is probably in hi-fi systems. In the industrial field the new material could transform the manufacture of electric motors by reducing their weight and size by about a half.

The discovery behind all this excitement, which is the subject of a report in the current issue of *Science*, is a new type of compound which, in addition to iron, includes one of the elements from the family called the rare earths. There are 5 of them.

The mixture from which the magnets are made consists of a rare earth, plus iron and boron. One of the rare earths which is being used is neodymium, but the scientists have derived a general formula to accommodate any member of the rare earths. It is $R_2Fe_{14}B$, where R is the light rare earth and the other two symbols are for the iron and boron content.

Permanent magnets have a number of characteristics which are employed to measure their performance. One of them is the nature of the material which prevents it from being demagnetized even when the permanent magnetic magnet encounters another powerful magnetic field. Another important characteristic is the energy product which is determined by both the strength of the magnet and its ability to retain the magnetism. This is the most frequently cited figure of merit.

Until the new iron-based compounds were discovered, the materials which most closely met the high values for those characteristics were compounds principally comprising samarium and cobalt. The lightweight earphones of the Walkman-type portable recorders are made possible by samarium-cobalt magnets. They also make the more expensive grade of starter motors for vehicles.

However, the transition metals such as iron and cobalt do not have what metallurgists call high magnetocrystalline anisotropy energies. This is a description of the way the crystals behave at a microscopic level and how that influences the eventual magnetic properties of the final material.

Metallurgists can improve the magnetic behaviour of the transition metals by adding rare earths to the mixture. But it is a tricky operation because if too much rare earth is added the material begins to lose some of its high magnetization.

Source: *Science*, Vol 223 no 4639.1984.

University news

Oxford

George Webb Medley essay prize 1983: Ian Preston, Brasenose College; proxime accessit, Daniel Cornelius Hardy, Magdalen College; book prize Calum Matthew MacPherson Osborne, St Peter's College.

Nuffield College: Honorary fellowship: Dr K E Robinson, MA.

Cambridge

Elections

Peterhouse

Bye fellowship (from October 1 1983): Mr Sergio Pellegrino; official fellowship from (February 6): Dr Hallard Thomas Croft; fellow commonership (from April 15 for three months): Professor W Hugh Woodin, California Institute of Technology; visiting fellowships (September – May 1985) Professor How-Chee Ang, National University of Singapore; (Michaelmas Term 1985): Professor Hugh Kearney, University of Pittsburgh.

Research fellowships (from October 1): A D M Pettegree of Merton College, Oxford, for research in modern history (from January 1,1985); E P Robinson, of Peterhouse, for research in mathematics computer science; professorial fellowship (from October 1,1985): Professor J R S Fincham.

UMIST

Dr David Cooper has been appointed Price Waterhouse professor of accounting and finance, the first holder of this chair.

Grants

Science and Engineering Research Council: £82,240 to Professor B Linnhoff to study energy conservation in the design of integrated process and energy systems; £76,650 to Dr J C Vickerman to study cluster ion commission in static sims; £61,608 to Dr S J Young to study the application of speech recognition in voice operated information systems; £53,266 to Professor D Winterbone and Dr P C Baruah for research on synthesis and analysis of future manifolds for IC engine to meet specific torque requirements.

Memorial service

Theodore Crombie of Culter

A memorial service for Theodore Crombie of Culter was held at St Peter's, Eaton Square, yesterday. The Rev Kenneth Hewitt officiated and Mr Andrew Ciechanowiecki gave an address. Mr Alfred Brendel played a musical tribute on the piano. Among those present were:

Mr and Mrs Alastair Davidson, Mr and Mrs M P Henderson, Miss John Holland, Mr J S Holland.

The Ambassador of Uruguay, Pamela, Marchioness of Huntly, Lord and Lady Colwyn, Sir Brinsley Ford, Mr and the Hon Mrs Martin Cullen, Prince Abbas Hilmi, Mr S C Hutchison (Royal Academy of Arts), Mr Peyton Skipworth (Fine Art Society), Mr Denys Sutton (editor, Apollo) and Mrs Sutton, Mrs E Clayton-Stamm (de Morgan Foundation) with Mrs C Bathur, Mrs Terence Mullaly, Mr George Bruce, Dr George Furlong, Mrs C Campbell, Miss E McDowell, Mr and Mrs H D Lyon, Mr and Mrs Ian Hazzel, Mr Francis Hazzel, Mr Brian Thomas, Mr Adam Zamoyski, Mr David Treherne Pollock (Dewe Rogerson), Mr Lodi Libson, Mr James Methuen-Campbell.

Mr Max Harrari, Mr Francis Egerton, Miss Christine Sarkis (British Uruguay Society), Mr David Posnett, Mrs Alfred Brendel, Mrs M Ciechanowiecka, Miss Julia Croft, Miss Y French, Mr Roger Dunstan, Mr Gordon Savage, Mr Francis Collin, Dr John Gatner, Mrs M Aschaw, Mr B H Myinc, Mr Rex Britcher, Mr Tay Cheng-Jim and Mrs E Norman-Butler.

Bishop appointed

Monsignor Patrick Kelly, aged 45, Rector of St Mary's College, Oscott, Birmingham, is to be the Roman Catholic Bishop of Salford, in succession to Bishop Holland.

OBITUARY

LORD HODSON

Former Lord of Appeal

Lord Hodson, PC, MC, who died on March 11 at the age of 88, was a Lord of Appeal in Ordinary from 1960 to 1971 after a distinguished career at the Bar; as a judge in the Probate, Divorce and Admiralty Division from 1937 to 1951; and as a Lord Justice of Appeal from 1951 to 1960.

Both as a Lord Justice of Appeal and as a Lord of Appeal, Hodson was much involved in questions concerning changes in the legal aspects of divorce and was a ouspoken opponent of trends which made divorce easier to obtain over the years.

Francis Lord Charlton Hodson, the son of the Rev. Thomas Hodson, was born on September 15, 1895. He was educaed at Cheltenham College, and shortly before the 1914-1918 war he took a classical scholarship at Wadham College, Oxford.

Soon after the outbreak of war he received a commission in the 7th Battalion of the Gloucestershire Regiment and served in Gallipoli and Mesopotamia, being wounded several times. In February, 1917, during the operations for the relief of Kut, he was awarded the MC.

In 1919 he went up to Oxford where he read law, taking honours with distinction in Jurispudence in 1920. The following year he was called the Bar by the Inner Temple (of which he was made a Bencher in 1938 and Treasurer in 1961).

After a period on the Oxford Circuit Hodson entered the chambers of the late Thomas Bucknill, a brother of the late Lord Justice Sir Alfred Bucknill and built up an extensive practice, being made Junior Counsel to the Treasury in probate matters in 1935.

When the appointment of two extra judges to the Probate, Divorce and Admiralty Division was authorized in 1937, Hodson was one of the two so elevated to the bench, having been granted silk in expectation of this appointment two months previously. He was knighted in that year.

In 1937 Hodson was a member of the committee which drafted a completely new code of Rules for the Division and he soon came to be regarded as one of its most satisfactory Judges. He was paricularly successful in coping with the heavy chamber work of the Court, where his intimate knowledge of the practice was especially valuable.

In 1949, he was chairman of a committee on Poor Persons Divorce Rules.

In 1951 Hodson went to the Court of Appeal where he soon proved himself to be a valuable colleague and his judgments won high opinions.

In 1960 he was appointed a Lord of Appeal in Ordinary, choosing the style of Baron Hodson of Rotherfield Greys in the county of Oxford.

During his career in the Court of Appeal and in the House of Lords Hodson was much concerned with the problem of the increasing frequency of divorce and in 1952 submitted a detailed memorandum to the Royal Commission on Marriage and Divorce uging reforms in the law to prevent extension of the grounds for divorce which made it easier to obtain.

In 1958 he chaired a committee of inquiry into the law and practice relating to the custody of children and wards of court whose report recognized the difficulty of laying down general principles to govern cases which might be so varied.

In 1962 at Birmingham University he returned to his theme of the undesirability of making divorce easier and was outspoken against the view that divorce should be granted on the sole grounds of irretrievable breakdown, as being impossible to prove.

From 1964 to 1966 Lord Hodson was chairman of a commission appointed to work out the details of a scheme for t'.e synodical government of the Church of England and he was a Member of the Permanent Court of Arbitration at the Hague from 1949 to 1971. He was also President of the British Branch of the International Law Association.

In 1918 he married Susan Mary, daughter of Major W. G. Blake, there were two sons, the elder of whom died in action in Libya during the war, and a daughter. Lady Hodson died in 1965.

MR ARNOLD RIDLEY

Mr Arnold Ridley, OBE, the actor and dramatist, died on March 12 at the age of 88.

An experienced actor, ill-health kept him from the stage for many years. Either alone or in collaboration, he wrote more than thirty plays. Now he, is likely to be remembered for two things, one early in his career, one near the end of it: he was the author of what can be called, without hyperbole, a famous thriller, *The Ghost Train*; and as an actor he was nationally acclaimed, when well over seventy, as an endearing member of a Home Guard platoon in the television programme, *Dad's Army*.

Born at Bath on January 7, 1896, educated there and at Bristol University, and expected to be a schoolmaster, he first appeared at the Theatre Royal, Bristol, during 1914, in *Prunella*. He joined the Army but in 1917 was wounded and discharged.

A year later, he went to the Birmingham Repertory where, under such directors as John Drinkwater and A. E. Filmer, he played forty parts. Thence, in 1920-21, he moved to a more struggling repertory theatre at Plymouth, sustained by the faith of George S. King; but at length his war injuries obliged him to leave the stage.

He had written one play of no particular note. Suddenly in 1925 he arrived permanently in the records of the stage thriller with *The Ghost Train* which had 655 West End performances and two later revivals. It appeared in theatres throughout Britain, was filmed, and even became, after thirty years and with less fortune, a West End musical entitled *Happy Holiday*.

Set in one of the bleaker railway waiting-rooms, the play was about a presumed spectral train on the "Fal Vale" branch in Cornwall which most people took to be the Truro-Falmouth line, though Ridley said his original inspiration came from Mangotsfield in Gloucestershire.

An ingenious affair, with a voluble and venerable stationmaster and a huddle of assorted passengers, it ended with a complex explanation about china-clay and gun-running. What mattered always was the passing of the train, an effect realized by a thunder-sheet, a drum, a cylinder of compressed air, and a garden roller.

Ridley went on, now with Bernard Merivale, to what some critics thought an even better play, *The Wrecker* (1927), with a signal-box scene and an old engine-driver who believed in "rogue engines". This had a relatively brief run.

As a dramatist he continued to be prolific, and as an actor he did return transiently in 1927 to take over Saul Hodgkin, the Fal Vale stationmaster. During the late 1920s and in the 1930s he was solely a dramatist and director. None of his plays ran very long, but *Keepers of Youth* (1929), set in a boys' school and quite apart from his other work, had a grave, sincere quality; and *The Flying Fool* (with Merivale; also 1929) was full-scale melodrama.

In 1939 he rejoined the Army and served with the BEF in France. After the war, coming back occasionally to the theatre, he played, for example, in his own *Easy Money* at the 'Q', and in *Twelve Angry Men* (1964) at the Queen's. He remained a determined writer, often in partnership and with a variety of themes, though nothing approached his early successes: probably some of his most capable construction was in a thriller, *Peril at End House* (1940), adapted from Agatha Christie, and in *Tabitha* (with Mary Cathcart Borer; 1956).

He acted a good deal on radio (including a part, Doughy Hood, in *The Archers*) and in television (he was the Vicar in *Crossroads*); and when over 70 he began a new television career as the fussy Private Godfrey in *Dad's Army*; it was the same character in the stage-play that ran for a few months at the Shaftesbury in 1975-6.

He was appointed OBE in 1982.

MR DONALD CONSTANT

Mr William Donald Constant, a former Assistant Financial Editor of *The Times* who wrote a regular daily column about the stock market, has died at the age of 77.

Constant was born at Yarmouth in the Isle of Wight on June 5, 1906, and educated at Haberdashers' Aske's School. He spent five years on the *Stock Exchange Gazette* before joining the *Times's* City office in 1930 as a sub-editor. Apart from war service 1941-46 he remained with the paper until his retirement in 1971.

A quiet man who was devoted to *The Times*, he was meticulous in doing the rounds of brokers and jobbers before sitting down to write what was always a well-informed column.

THE ARTS

Theatre in the United States and Britain

A desperate need for stars

Chilled by several recent closings, Broadway has 17 shows running as opposed to 25 this time last year, and only four openings – two of them revivals – scheduled this month. It looks safer to walk New York's mean streets than to back a new work on the Great White Way.

If a show has no stars and opens to mixed reviews, it is probably doomed. **Open Admissions** (Music Box Theatre) met such a fate last month. However much it was flawed by too-symmetrical developments in the family lives of its protagonists and some stereotyped secondary characters, Shirley Lauro's drama boasted searing conflict. Desperate to earn a college degree as a ticket out of the ghetto, a black student (played like personified nitroglycerine by Calvin Levels) confronted a white teacher (Marilyn Rockafellow, trying to steady the nitroglycerine on waves of exhaustion) who knew that his degree would be worthless because he had no college-level skills. In their clashes, and in classroom scenes where minority students earnestly mangled Shakespeare assignments, there was personal tragedy as well as an indictment of an eductional policy.

The Rink (Martin Beck Theatre) may once again demonstrate that stars can overpower mixed notices. To a once-grand roller rink slated for demolition, a former flower child turned 30 (Liza Minnelli) comes home for the first time in seven years, only to resume her lifelong battles with her mother (Chita Rivera). Terrence McNally's book, which delineates the women and the character of the father/husband almost exclusively as sex objects, makes it difficult to care about them. The production device of having the demolition crew of six men play all the other characters – including females – adds to the misogynistic feeling of the show. The intensity of Liza Minnelli and Chita Rivera's playing, however, squeezes every ounce of sympathy for their characters and brings frequent huzzahs from the audience.

Star-power aside, *The Rink's* music by John Kander and lyrics by Fred Ebb often sound like a bad-tempered version of *Carnival*. And, though Peter Larkin's set is grand, its decaying aspect and the other physical production elements – including a rape ballet – are ugly. *The Rink* is an unpleasant musical, with a blighted soul at its core. So, is should be noted in fairness, are *Evita*, *Dreamgirls*, *Nine* and *Cats* – all huge hits. In depressing numbers, today's audiences are demonstrating that they either do not recognize ugliness or that they like it.

Off-Broadway openings have contributed an informal international festival to New York. Samuel Beckett has had a theatre named after him, and Billie Whitelaw (interviewed by Penny Perrick on page 14) has blessed its opening with her spectral performances in *Footfalls* and *Rockaby*. Joseph Papp's Public Theatre is offering the Polish dissident Janusz Glowacki's **Cinders**, which played at the Royal Court Theatre in 1981. The starkly designed arena-style production, precisely staged by John Madden, has some of the best individual and ensemble acting in town. Exceptional are rat-like Robin Gammell and sheepish George Guidall as officials of the Polish girl's reform school, reptilian Christopher Walken as the film-maker shooting the school production of *Cinderella*, and Lucinda Jenney, a heartrendingly trapped doe as the recalcitrant Cinderella.

The Manhattan Theatre Club is housing the New York première of **Mensch Meier**, by West Germany's Franz Xaver Kroetz. Unless Roger Downey's translation misrepresents the play, it comes across as an old-hat story about a working-class family whose members separate to find themselves as individuals, told with Expressionistic accents. Most effective are Clayton Campbell's background paintings, which telegraph the action of each scene in bright colours.

More impressive is the American première of **The Other Shore**, a metaphysical comedy of manners by Spain's senior playwright, José Lopez Rubio, at the Writers Theatre. When two characters are immediately shot and the actors rise to play their ghosts, one wonders how many variations on such a device the playwright can work before becoming tiresome. The Spaniard proves that he has plot twists and wry observations of human foibles to spare, and we can look forward to more of his work.

Rounding out the international fare with a promising American playwright, Circle Repertory Company has given one of its choice ensemble renderings to Timothy Mason's **Levitation**. Mr Mason tinkers with time when he assembles members of a large mid-western family and a few characters whom one realizes are both ghostly and quite lively. As they work out personal problems and meditate on how to hold on to life as it slips away, the dramatist shows himself a potential successor to J. B. Priestley.

Holly Hill



Lucinda Jenney, a heartrendingly trapped doe in *Cinders*

In and out of character in a flash

Chestnuts Old and New

King's Head

Plunging in at the deep end, John Sessions opens his one-man show with a Grecian epic drawing on the combined narrative skills of Homer and Ronald Harwood to flood the scene with television archeologists, tourists and would-be Euripidean actors. He then dispatches a crew of heroic immortals across the wine-dark sea to remotest Yorkshire, where Perseus strides fearlessly into the nearest pub to slay the resident monster (Gladys the barmaid, as it happens).

Mr Sessions, a trim figure in black tights with a modest repertory of grotesque grimaces, a vast range of accents, and a bone to pick with most of Britain's leading actors, specializes in outsize and densely populated shaggy dog stories. A tale begins, set perhaps in Disneyland or Howarth parsonage, but before long it is swarming with Pinewood Japanese PoWs, superannuated pop singers or Liverpool Street derelicts who once played *Macbeth* at the Old Vic.

Periodically a line comes winging across that doubles you up. Giving us his cheap and cheerful *David Copperfield*, Mr Sessions brings on the much-loved character of Bigoty whose relations "live in a bucket in Yarmouth". Then there is the fearsome bass-voiced Emily Brontë, browbeating her sisters into going commercial' by styling themselves Doug, Dan and Denis Slater. But there is seldom time to savour any particular detail as the essence of the act is its speed and free-association overdrive.

When Mr Sessions does stick to the point, as in a prolonged Harlem rewrite of *Hamlet*, the result can be very flat: as his programme itself subsequently acknowledges by bringing on Sylvester Stallone to do a dead-pan 20-second *Lear*. Elsewhere, my only complaint is that he works too hard, putting so much energy into quelling audience resistance that he blunts audience contact.

Otherwise he strikes me as the best young comedian I have seen since the arrival of Victoria Wood. He can pass in and out of character in a flash, his vocal impersonations are masterly, he can keep a stageful of characters simultaneously alive, and he has a strong sense of form. In spite of their multiple digressions his sketches are strongly plotted; and, in the case of a Hampstead IRA dinner that tangles with a West End promotion party, he can tell two simultaneous stories and bring them together for a big bang.

The story of poor Douglas, beheaded by a Second World War fighter plane, but living on to serve his country as a fully armed plum-pudding parachuted to the Führer for Christmas, remains incomplete: with luck Mr Sessions will finish it next time.

Irving Wardle

Raj

Palace, Watford

Though few 9 - 14-year-olds will be watching *The Jewel in the Crown* or picking *Midnight's Children* off the bookshelf, this seems an apt time to revive Leeds Playhouse Theatre-in-Education's play about Indian divided loyalties, and to publish the script as Amber Lane are doing. Watford's own TIE company, playing morning and afternoon shows in the Palace itself, stage it beautifully.

Mohamed Kassam's trio (including the eerie, zither-like santoor) playing his original music, Andy Barnet's lighting and Joe Vanek's lovely set of light wood and unbleached cotton drapes bring atmosphere right into the young audience's lap while a significant story is clearly but not crudely told.

Literally under two flags, a fading Union Jack and the Indian tricolour, an Indian girl is brought up by a British judge and, after a short-lived arranged marriage, becomes *ayah* to a colonel's family. These relationships, all affectionate, do not sour under the strain of the 1942 "Quit India" riots and her young cousin's increasing nationalism; they simply fail to survive it. The effect is more telling and tragic than if one of Paul Scott's arrogant, snobbish sahibs had been chosen.

While Atia Shah remains her own sweet self, the rest double as parents and children: Janice McKenzie as a sane and plucky memsahib and her six-year-old, Peter Stanley and Gordon Warnecke first as colonel and bearer, then as little Jamie submitting servant to humiliation games.

Small incidents are packed with meaning. The Englishwoman actually trying on a sari, only to be stunned by a stallholder's open contempt. The loyal Indian deserting from the British Army after seeing them burn Burmese villages, only to find the post-riot Punjab treated the same – and no English friendships able to avert the consequences. This is history as people actually live it.

Anthony Masters

Sanity and humour

School for Wives

Churchill, Bromley

Molière's first great comedy is still rarely seen here. In this entertaining revival the freeish Miles Malleson translation and the presence of Terry Scott in the huge central role combine to underplay the pathetic, even sinister aspects, but accounts of Molière's own production stress repeatedly how much it made audiences laugh. It still does.

Smiling or scowling beneath a Johnsonian wig (the show is updated to Louis Quinze for some unknown reason), Mr Scott has little trouble sustaining the long speeches in Malleson's taut blank verse, but enjoys the odd ad-lib if a word temporarily escapes him or his purse gets stuck in his pocket.

He gleefully picks members of the audience in scornful illustration of complaisant, ignorant or ineffective husbands – all the faults he will avoid by nurturing a girl under glass, as it were. "A man who wants a perfect wife must make her for himself" – which means a convent education and, in this version, a hair-raising lecture on second fiddles, servants and other contented subordinates.

Agnes's naivete, which proves her salvation and her guardian's undoing, is barely within the grasp of the lovely and sophisticated Julie Dawn Cole, but her big instruction scene goes well, with Malleson's version reducing Molière's ten precepts to six and punctuating them by ominous backchat on both sides. In her agonisingly slow description of the visit by her literally dashing spark (Peter Woodward) she guilelessly leaves the big question till last while Mr Scott grimaces with wracking unease: the comic honours were, as they should be, even.

Terry Parsons's panel set revolves from a street into a rococo salon, witnessing a crescendo of domestic chaos to which servants Simon Needs and Jenny Tomasin make their own lively contribution. Mr Needs's notorious description of woman as "man's bowl of soup" and Mr Scott's elaborate attempt to keep his own to himself may make you wish that Roger Redfarn's production showed more awareness of contemporary relevance, but, for once, Molière's defence that it induced "sanity and good humour" seems the most natural in the world.

Anthony Masters



Terry Scott: wracking unease

Concerts

RCS/Davies

Festival Hall

The first Monday of Lent is a little early for us to be embarking on our Passions, which may be why this performance by the Royal Choral Society of Bach's St John setting drew a mediocre audience. Alternatively, the disincentive may have been not the season but the manner of performance, for here again was a choir numbered in their hundreds singing with, or rather over, an orchestra of two or three dozen.

I have remarked before on how sadly unwise this is. No doubt in Bach's day it would have taken the entire population of Leipzig to equal the strength of the Royal Choral Society, but the important argument from authenticity is not the historical one: the important criterion, as always in musical performance, is that of being true to oneself as well as to the work. It is not in the nature of such massive choirs as this to combine happily with an English Chamber Orchestra now used to small-scale Bach.

As it happens, the Passions show up the problems least acutely, since the choir is involved most often in chorales, where the orchestral contribution is simply supportive. But in the great opening and closing choruses one does want to hear what the orchestra is doing, and it was regrettable here that they almost disappeared from hearing whenever the voices came swamping in.

There is also something bizarre about the sight of a stage shared by imposing ranks of choristers and a solo viola da gamba: no wonder the ancient instrument sounded discommoded. No, what the RCS need is a full symphony orchestra to match them, for only by becoming colossally and wholly anachronistic is the big chorus in Bach going to avoid seeming woefully out of date.

It is possible that Meredith Davies would be happier with larger instrumental forces under his command, since his evident excellence in the preparation of the choir contrasted with a slacker control of the ECO, and sometimes a stodgy metre that missed the dance in Bach's accompaniments.

The soloists were variable. Robert Tear, the Evangelist, was perfect to the last umlaut in diction and knew exactly how he wanted to colour each word, but he had to be chary in the upper register. Of the aria singers, Kate Flowers was bright and true, Paul Esswood unfailingly strong.

Paul Griffiths

University of London Orchestra/Reid

Queen Elizabeth Hall

The University of London Orchestra, most of whose members are not music students, added to an impressive list of world premières with their performance under their conductor, Ian Reid, of Judith Weir's *The Ride over Lake Constance*.

They gave the piece with the kind of spirited confidence that most composers only dream about: not that this composer makes it too difficult to immerse oneself in her work, a vividly scored if perhaps naively constructed interpretation of a ballad by the German romantic poet Gustav Schwab.

The story is simple. It concerns a horseman who rides in the snow by night to a village unaware that he is galloping over the frozen lake. When he arrives, the revelation of his involuntary feat is such that he rather bizarrely dies of shock on the spot.

Weir chooses to represent the landscape by slowly moving textures, sometimes played by shimmering strings, elsewhere made more magnificently foreboding by the affirmations of the brass. The rushing horseman takes the form of darting soloistic interpolations that become ever more frenzied, though still they are veiled in a misty haze. Until, that is, the final shock, where all hell is let loose in a sudden outburst redolent of the abruptness of Henze's *Hunt of the Maenads* in *The Bassarids*.

Though music of no great depth, it does its job well, and certainly inspired much individual virtuosity here. Not so the greater refinement of Mozart's *C major Oboe Concerto*, for which Alistair Nichol bravely stepped from the ranks of the orchestra at very short notice indeed to deputize for the stricken Douglas Boyd. His sound was smallish, and there were hesitant moments: but to criticize thus is churlish in such circumstances.

It was back to more spectacular fare after the interval, in the form of Rimsky-Korsakov's *Scheherazade*. Tinged with exotic perfumes yet laden with excitement, this was a fine achievement, with brass and percussion particularly splendid. And the leader, Stephen Bull, gave his solos with his assured maturity often matched by scintillating sound.

Stephen Pettitt

Raphael Trio

St John's/Radio 3

Some astute thought in programme building by the Raphael Trio frim the United States characterzed their lunchtime concert at St John's, Smith Square, on Monday. They made the harmonic link between Haydn's Piano Trio in F sharp minor and the Trio No I in B major by Brahms a kind of armature to strengthen the expressive style of their performances throughout each work.

In the case of Haydn, there was a sense of reaching out in the first movement which aroused immediate attention to the way the discourse would develop, and in which the relationship between the pianist and his colleagues was attractively balanced. Whether the central slow movement preceded or followed its orchestral counterpart in Symphony No 102 is, I believe, still a matter of dispute, but that Haydn's London friendship with Rebecca Schroeter was at the heart of it was given fresh support by the eloquent and romantic ardour of this performance.

The blend and contrast of instrumental timbre, and a sustained fervour in ensemble, continued in a notably sweet toned account of the Brahms Trio, given as usual in the composer's revised version. There was a tautness in performance that generated a considerable force of depression as the opening ideas were displayed and then gathered up at the end of the first movement, the cello being particularly expressive and beautifully attuned to passages in unison with the piano.

The tension between parts was no less a feature of the scherzo movement, with a honeyed trio section in which the triple-time rhythm acquired an engaging charm as well as impetus.

Noël Goodwin

Television

Fiddling for life

The Budget will neither excite nor depress Liverpool's Netherley estate. The economy there is unofficial. Now and then someone goes to gaol for participating in it. It depends on fiddling electricity meters, working on the side while collecting state benefit, and going "on the slummy" – removing copper and other saleable metals from nearby derelict flats.

BBC2's Brass Tacks examined it last night in *A Fair Day's Fiddle*. Dizzy, a qualified plasterer out of work for eleven years, explained: "Our fiddles are done because they are necessary. Jobs are a thing of the past." He saw a new class in addition to the upper, middle and working classes – the subsistence class, taking its jobless benefits and then, to improve the lot of its children, its chances.

A man told how he went on the slummy to pay for his seven-year-old daughter's funeral after an undertaker had told him and his wife that, by carrying the coffin on their laps in one car, they could save the cost of a hearse. Anonymous letters bring people to judgment. One man told of his nine-month prison sentence after his wife had been reported. She had worked for six years in an undisclosed job. He calculated he would be 67 before he had paid off the arrears.

"Those who get reported", said a woman, "are the ones whose kids are looking nice. Nobody ever reports a drunk." Harry, a drain engineer, recently redundant and counting the bills, said: "My kids will get the best by hook or by crook and, while you're on the dole, it's by crook." Speakers invited us to look to our fringe benefits before being censorious, and a local vicar found it hard to condemn his parishioners for stealing from derelict flats: "One could almost see it as good stewardship of materials."

Rob Rohrer's sharply objective programme on this community, which thumbs its nose at a society which appears to have turned its back, left judgment to viewers, making no prophecies as to where this new morality might lead or what residual effect it might have even if an economic improvement comes.

Desert of Lies, by Howard Brenton, BBC1's Play for Today, invited sympathy for the employed. A good cast, including Cherie Lunghi and Tom Bell, was required to participate in 85 minutes of nonsense. The play dealt with the fate of two expeditions, 100 years apart, into the Kalahari, managing, between flashes forwards and backwards, to make glancing references to feminism, African and radical politics, sex, cannibalism and old-time religion.

Watching Miss Lunghi make sexual advances towards the only able male in her ill-fated party, a bushman murmured "oogie-boogie". What he meant was made explicit before us. One wonders if they have a word in the Kalahari for rubbish. This was it.

Dennis Hackett

● The 1984 City of London Festival, from July 15 to 28, plans to reveal some of the less familiar sides of Elgar and Holst, both of whom died in 1934; to celebrate the fiftieth birthday of Harrison Birtwistle with a new work commissioned from him for string orchestra; and to feature the English Romantic Poet as seen by the European Romantic Composer.

Jazz

Small sophisticated satisfactions

Sphere

Ronnie Scott's

Formed a couple of years ago to present the compositions of Thelonious Monk, the quartet known as Sphere (after Monk's middle name) has already gone well beyond its original brief. On the evidence of its first British season, in fact, it is now one of the most sophisticated and satisfying small jazz groups to be heard.

Charlie Rouse, the group's tenor saxophonist, and Ben Riley, its drummer, both enjoyed lengthy sojourns in Monk's own quartet during the 1960s. Such had been the stature of the leader's earlier accomplices (one might think of John Coltrane, Sonny Rollins, Max Roach and Art Blakey) that Rouse and Riley, whose playing operated within the conventions, never quite emerged from the giant shadows cast by their predecessors. Something in Sphere, however, seems to have liberated both men, perhaps permitting the ordinary listener to realize the qualities Monk perceived in them.

Rouse's warm, hollow tone now sounds completely personal; his sense of swing sends his long phrases hurdling lightly over the changes with supreme relaxation. Riley, for his part, has acquired the deftness with cymbals of a Billy Higgins and the upright tom-tom figurations of an Ed Blackwell, combined with a basic orientation derived from Max Roach into something colourful and elegant.

Their partners are the pianist Kenny Barron and the bassist Buster Williams, both youngish veterans whose styles embrace and extend the developments of post-bop music; together, the four achieve a remarkable orchestral quality in the care with which their repertoire is arranged ("The End of a Beautiful Friendship" unfurling from Barron's pensive doodles; Monk's "Epistophy" set to a hustling railroad rhythm) and in the closeness with which they listen and respond to each other.

Comparisons may be made with the revived Jazztet, with the Ron Carter quartet which visited the Round House a couple of years ago, and with Herbie Hancock's *Mwandishi* sextet. Sphere's ability to blend composition and improvisation – to provide such an exquisite setting that Williams's sequence in "Christina", for example, became more than just another bass solo – is too scarce a commodity to permit anything other than a wholehearted recommendation.

Richard Williams

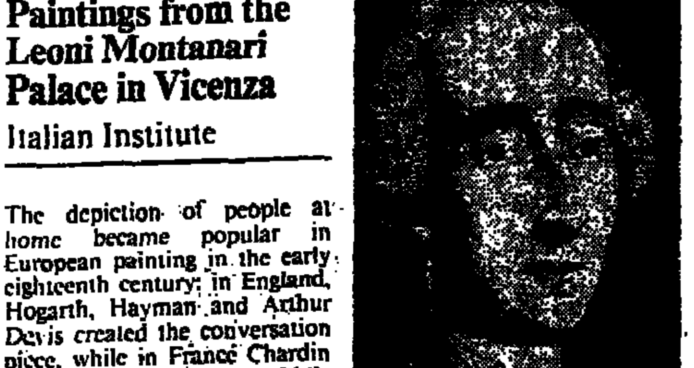
Galleries

Mocking gently without risking offence

Pietro Longhi: Paintings from the Leoni Montanari Palace in Vicenza

Italian Institute

The depiction of people at home became popular in European painting in the early eighteenth century; in England, Hogarth, Hayman and Arthur Devis created the conversation piece, while in France Chardin invested the Parisian middle class with a quiet dignity that was an implied rebuke to the sensual frivolity of the court of Versailles. The Italian equivalent of Chardin and Hogarth is Pietro Longhi, whose attitude to his subject is more critical than the former's but less hostile than the latter's. Sir Michael Levey's description of Longhi as "the Jane Austen of eighteenth-century art" is apt, since he mocks gently without any risk of causing offence.



"The Jane Austen of eighteenth-century art"

A rare opportunity to see a group of canvases by Longhi and his contemporaries is provided by the Banca Cattolica del Veneto's touring exhibition of the 14 pictures it acquired in 1981 for its Vicenza headquarters. The exhibition has travelled not only in Italy, but also to the Soviet Union, Belgium and France; the London showing, which ends on March 20, is its last.

The splendid neo-classical *piano nobile* of the Italian Institute in Belgravia Square is a perfect setting and Vittorio Sgarbi has written a useful, well-illustrated catalogue. Unfortunately the English version, distributed *gratis*, is full of ludicrous mistranslations: surely the bank could have paid for a translator whose mother tongue was English?

Fortunately, the pictures speak for themselves, permitting us to participate in the inane rituals of the aristocracy within the claustrophobic confines of their palaces, as in *Blind Man's Buff* and *The Faint*, both autograph replicas of a pair by Longhi in the National Gallery of Art, Washington, datable about 1760. As with Devis, the interiors would in most cases seem to be typical rather that specific. When he chooses an exterior setting, Longhi often chooses the arcades of the Doge's Palace, as for example in *The Charlatan* and its companion *The "New World"*, a peep-show depicting scenes of life in the Americas. Longhi himself appears in *The Elephant* (dated 1774), sketching on a pad, his *hauta* thrust back off his face. The famous rhinoceros which was one of the highlights of the Venice Carnival in 1751 was also depicted by Longhi (there is one version in Ca Rezzonico and another in the National Gallery, London) but the portrayal of it in the bank's collection is clearly by another hand: Dr Sgarbi proposes the name of Lorenzo Tiepolo, younger son of Giambattista, and rightly comments on its affinity with the early manner of Goya.

Among the other, unattributed pictures, more interesting as documentary evidence than as works of art, there are two scenes set in the *Ridotto*, the notorious gaming house, and another in a coffee house lined with very attractive rococo shelving. For anybody planning to attend this year's Carnival in Venice, it also demonstrates the solution to the problem of what to do with your *hauta* while drinking coffee: put it in the brim of your tricorne hat.

Jeffery Daniels



FT STOCK INDICES	
GOVERNMENT SECURITIES	83.50 (83.43)
FIXED INTEREST	87.46 (87.28)
INDUSTRIAL ORDINARY	865.0 (844.1)
GOLD MINES	683.4 (697.9)
ORDINARY DIVIDEND YIELD	4.26% (4.36%)
EARNINGS YIELD	9.13% (9.36%)
P.E. RATIO (NET)	13.24 (12.93)
P.E. RATIO (NIL)	12.43 (12.13)
FTSE	1055.8 (1055.6) High 1056.0. Low 1050.9

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1983/84 High	Low	Stock			Price	Ch'ge	Int. only Yield	Gross Red. Yield
SHORTS								
104⅓	100¹¹⁄₁₆	Exch	14%	1984	100¹¹⁄₁₆	..	13.890	9.345
98⁷⁄₁₆	92¾	Exch	3%	1984	98⁷⁄₁₆	..	3.048	9.001
102¾	100⅛	Treas	12%	1984	101½ ●	..	11.823	8.998
107⅞	104⅛	Treas	15%	1985	105⅛	..	14.269	9.141
107	101	Exch Cv	12%	1985	102¾ ●	..	11.679	9.115
94⁵⁄₁₆	88¾	Treas	3%	1985	93¾	..	3.200	8.668
103⁹⁄₁₆	99½	Treas	11½%	1985	102⅝	..	11.206	9.349
102	95½	Treas C	8¾%	1985	99⁵⁄₁₆	..	8.811	9.231
104⁵⁄₁₆	100⅝	Exch	12¼%	1985	104³⁄₁₆	..	11.758	9.470
103¹³⁄₁₆	99½	Exch	11¾%	1986	103¹¹⁄₁₆	..	11.318	9.539
102¾	98¹³⁄₁₆	Treas C	10%	1986	102³⁄₁₆	●+¹⁄₁₆	9.786	8.832
90¼	85¼	Treas	3%	1986	88½	..	3.390	8.924
102	97¼	Exch C	10½%	1986	101¹⁵⁄₁₆	+¹⁄₁₆	10.301	9.486
104⅞	100	Treas	12%	1986	104⁷⁄₁₆	..	11.318	9.847
98⅝	94⅛	Treas	8½%	1984-86	97⅞	..	8.684	9.536
87⅛	84½	Exch	2½%	1986	85½	..	2.924	8.656
109½	105¼	Exch	14%	1986	108⅝	..	12.888	10.144
107⅝	103⅝	Exch	13¼%	1987	107⁹⁄₁₆	..	12.318	10.111
100⅞	95⅛	Treas C	10¼%	1987	100¾	..	10.174	9.930
86½	80¼	Exch	2½%	1987	84	..	2.977	8.775
101⁵⁄₁₆	95¾	Exch	10½%	1987	101³⁄₁₆ ●	..	10.377	10.046
93	88	Fund	6½%	1985-87	91½	..	7.114	9.762
99⅝	97½	Treas	10%	1987	99⅝	..	10.038	10.114
85	80½	Treas	3%	1987	82¾	..	3.625	9.119
104⅛	99⅞	Treas	12%	1987	104¾	..	11.456	10.381
95	89⅞	Treas	7¾%	1985-88	93⅞	..	8.255	9.674
101½	95	Exch	10½%	1988	100⅝	..	10.435	10.299
106	98⅝	Treas IL	2%	1988	102⅝	●-¼	..	4.538
98⁷⁄₁₆	95¹¹⁄₁₆	Treas C	9¾%	1988	98⁷⁄₁₆	+¹⁄₁₆	9.905	10.189
82	75¾	Trans	3%	1978-88	80¼	..	3.738	8.589
99	91	Treas	9½%	1988	96⅝	..	9.832	10.422
MEDIUMS								
106⅝	96	Treas	11½%	1989	104	+¹⁄₁₆	11.057	10.429
103	95	Treas	10½%	1989	102⅞	+⅛	10.477	10.431
100	96⅛	Exch	10%	1989	100	+⅛	10.239	10.399
85	76⅛	Treas	5%	1986-89	81½	● ..	6.105	9.211
114	103	Treas	13%	1990	111⅞	+⅛	11.846	10.703
91	87¾	Treas IL	2%	1990	88½	..	..	4.403
110½	101	Exch	12½%	1990	107⅞	●+⅛	11.575	10.684
93	86¼	Treas	8¼%	1987-90	92¼	+⅛	9.147	10.415
108¼	97	Treas	11¾%	1991	106⅝	+⅛	11.240	10.785
83¾	74¾	Fund	5¾%	1987-91	80¼	●-⅛	7.144	9.630
105¾	98	Exch	11%	1991	105⅛	..	10.841	10.704
114½	101½	Treas	12¾%	1992	112	+⅛	11.575	10.794
100⅞	89⅝	Treas	10%	1992	98¼	+⅛	10.245	10.445
111⅜	99	Exch	12¼%	1992	108¼	+⅛	11.383	10.851
117¾	106⅜	Exch	13½%	1992	113⅜	●+⅛	11.840	10.925
114	101¼	Treas	12½%	1993	111¼	+⅛	11.399	10.826
79¾	71⅛	Fund	6%	1993	76⅜	●+⅛	7.957	9.887
121⅛	110¼	Treas	13¾%	1993	121⅛	+⅛	11.765	10.883
126⅞	112¾	Treas	14½%	1994	122⅜	+⅛	11.879	10.818
120⅝	108¼	Exch	13½%	1994	120⅞	+⅛	11.694	10.931
114¼	100¾	Exch	12½%	1994	110⅜	..	11.342	10.846
94⅝	86⅝	Treas	9%	1994	94	..	9.582	10.399
111⅝	98½	Treas	12%	1995	108⅞	..	11.190	10.847
65¾	61½	Gas	3%	1990-95	63⅞	..	4.779	8.752
101⅜	88¾	Exch	10¼%	1995	98⅞	..	10.528	10.654
117⅝	106¼	Treas	12¼%	1995	117⅛	..	11.268	10.742
126⅛	110½	Treas	14%	1996	122½	+⅛	11.622	10.882
94½	84	Treas	9%	1992-96	91	● ..	9.869	10.321
134⅝	122¼	Treas	15¼%	1996	134¾	+⅛	11.805	10.862
121⅞	108¾	Exch	13¼%	1996	121⅞	+⅛	11.278	10.850
111⅛	99⅝	Treas IL	2%	1996	102½	● ..	..	3.848

LONGS

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THE TIMES
FINANCE AND INDUSTRY
Executive Editor Kenneth Fleet

The kerosene Budget lights an equity fire

Mr Nigel Lawson's first Budget was immediately dubbed in the City as "the kerosene budget", not for the removal of excise duty from the fuel itself but for the fire his various measures were likely to put under the equity market.

Wholly admirable are the specific changes to persuade more people to buy shares: halving stamp duty on purchases, abolishing the investment income surcharge, raising the Capital Gains Tax starting point, albeit only in line with inflation (next year the major reform) – these should further Mrs Thatcher's cause of a share-owning democracy, as the sale of council houses did for the parallel dream of a nation of Conservative-minded property owners.

The better treatment of profit sharing schemes is overshadowed by the long overdue decision to tax gains under share option schemes not as income but as capital gains, but both measures should combine to foster a healthy interest in the processes, performance and profits of the market economy. And of course, the most radical section of the Budget, the new "five-year framework" for company taxes, together with the abolition of the National Insurance Surcharge, is both an incentive to make profits and something approaching a guarantee that they will not be promptly siphoned off by the Exchequer.

There are, naturally, reservations. The promised scaling down of corporation tax to 35 per cent may make industrial investment in the United Kingdom more attractive, but it will affect, adversely, the tax position and thus the earnings of British companies with appreciable overseas earnings in countries like the United States which have a higher company tax rate.

More immediately, the unwinding of our system of accelerated depreciation through generous capital allowances will cause bad headaches for companies which have used the flexibility of accounting standard SSAP 15 to ease up on their provisions for deferred taxation. Such liabilities are back with a vengeance. Finance directors in the leasing business have probably had a bad night. Put another way, how pleased the banks and their auditors must be that the 1983 accounts are already finalized.

Most serious of all, the one nasty time bomb ticking away quietly in the Inland Revenue press releases, relates to "controlled foreign companies". It seems, unless he is stopped, the Chancellor intends to legislate in this year's Finance Bill against companies the Revenue blithely describes as "using tax havens to avoid UK taxes". He ought to know better than to strike at the heart of United Kingdom companies and the City which regard the world as their oyster.

All, however, may not yet be lost on this score, so let us accentuate the positive and hope the negative will be eliminated. Several of yesterday's key proposals continue the process of liberalizing the Stock Exchange and preparing it for full-blooded international competition. Sir Nicholas Goodison, the chairman, said last night that Mr Lawson had "taken steps to lead to more people having a direct stake in British industry. I have argued for this for years." They obviously do no harm to the immediate trading prospects of member firms. Secondly, they go a long way to removing the fiscal bias in favour of Wall Street.

It is this bias which has done so much to nourish the habit of buying leading UK shares in New York in the form of Authorized Depositary Receipt. When the technical disadvantages associated with ADRs are taken into account, the new 1 per cent stamp duty becomes much more tolerable.

It will take a day or two for last night's equity euphoria to be replaced by a more durable view of the Budget changes. However, some trends are already discernible. The life insurance market has been badly hit by the threatened abolition of tax relief on policy premiums. The sector is a deliberate victim of Mr Lawson's central aim of removing distortions in the tax system. It will be interesting to see how the insurance world responds to such a sudden blast of competition.

Meanwhile, some big names could be vulnerable to takeover raids by more nimble brethren in the financial sector. After all, the dog that did not bark was an overall financial services tax. The banks, in particular, can pat themselves on the back for successfully diverting another dose of windfall profits tax, although their joy is tempered by the decision to scale down capital allowances.

According to Datastream, the value of life insurance shares fell by £262m during the course of the speech. That compares with an increase of £334m in the market value of breweries, relieved that beer tax is going up by only 2p a pint – more than the rate of inflation, but hardly enough to deter regular drinkers when in many parts of the country a pint already costs nearly £1.

Another sector which did nearly as well as the breweries was retailing, whose combined value rose by £320m on the same basis, reflecting the impact of the sharply higher personal tax allowances. This will also divert a useful amount of cash into individuals' pockets in time for them to pay for a better holiday. Horizon, the tour operator, is due to report results today and should be a direct beneficiary.

For some of the biggest companies such as GEC and ICI, the Budget must appear distinctly mixed. On the one hand, they are bound to cheer the abolition of the National Insurance Surcharge, an inhibition to employment and an administrative chore. On the other hand, they may purse their lips at the dismantling of generous tax allowances on new equipment. The captial goods makers will be even less happy.

A similar mood must infect the tobacco companies. The increased personal spending money can only help them, especially in their diversifications into retailing and the like. But they can be under no illusion that this Chancellor has declared fiscal war on their main product, cigarettes. The 10p increase on a packet of 20 has all the signs of being merely the first in a series of annual salvoes.

Uncertain outlook for gilts

Post-Budget perspectives in the gilt-edged market are less bright. At first sight they seem to stretch into a golden future for gilts – and that may turn out to be so, if the Chancellor's gamble on sustained growth works out and nervous analysts genuinely get over their initial qualms about the nature of the arithmetic surrounding the projected public sector borrowing requirement.

Inflation should be down to 4½ per cent by the year end; the PSBR will fall to £7.2 billion (2½ per cent of gross domestic product) some £3 billion lower than in the current year; targets for monetary growth are tightened.

Raising the threshold of personal sector allowances by far more than inflation decreed underwrites the continuation of the consumer spending boom, which has shown signs of peaking out, as well as enabling the personal sector to pay for some of last year's credit-financed boom without defaulting. The inflation threat from rising prices as output and demand are sustained will be contained by pressure on imports through the short-term move to levy instant VAT on them. This £1.2 billion once-for-all boost to government revenue is the cause of questions about the "true" level of the PSPR.

Enhancing the attractions of the corporate debt market by eliminating capital gains tax on fixed interest corporate stock ought to remove a lump of private sector borrowing which would otherwise boost the monetary aggregates and keep yields high in nervous markets – two things the Chancellor is anxious to avoid.

Phasing out stock relief may help in this context too, since the abolition of the concession discourages the industrial sector from carrying above average stock levels, which in turn boosts credit requirements. Any threat to sentiment which an accelerating sterling M1 figure might pose has again been neatly taken care of; M1 has been replaced. And ending of the National Insurance Surcharge is also a clever tactic. According to the Treasury model, eliminating the surcharge should help to underpin the inflation forecast, since such a substantial re-injection of cash eliminates companies' need to push up prices.

The Chancellor may live to regret the elimination of the CGT concession gilts have long enjoyed and the block on life assurance business with the ending of tax relief on premiums. The PSBR has been distorted by proposed asset sales and the changed treatment of public sector deposits and the £7.2 billion figure for 1984-85 has a one-off feel to it bearing in mind that this year's figure of £10 billion is a substantial overrun.

Assuming a similar error in 1984-85 the Government will need to borrow and might run into problems, competing on supposedly equal terms with the corporate sector's demand for long term credit. When this has happened in the recent past witness National Savings' experience, the Government simply bids up the rate.

The final threat to the strategy must invitably stem from the exchange rate. Sterling was wobbly last night, as the feeling grew that another round of interest rate cutting was on the way, US rates, as ever, look set to rise.

The snap reaction in the market last night was to anticipate something of a gilt rally this morning. The government broker did not discourage this view yesterday, when he supplied the new tap stock, Exchequer 10 per cent 1989, a 40⅛ and then withdrew. According to conventional wisdom, low coupon stocks and index-linked stocks are now the categories of gilts to avoid, since abolition of the investment income surcharge has reduced the appeal of low coupon stocks, while officially inflation is a thing of the past.

MONEY MARKETS

Base rate optimism drove short-term money rates lower again, but day-to-day money remained expensive.

The Bank of England forecast a shortage of about £500m. With the market speculating heavily that base rates will be down to 8½ per cent soon, the Bank again found few takers of its invitation to tender bills for purchase by the authorities.

Therefore the Bank was able to buy only £7m of bank bills outright.

The balance of the Bank's assistance was channelled via £510m purchase and resale agreements

FOREIGN EXCHANGES

A rise of 0.2 per cent in the February US retail sales index bought renewed selling of the dollar yesterday, moving the pound more than a cent better than its overnight level, at 1.4630 (1.4525), but leaving both currencies weaker to continentals.

Building societies will lower mortgage rate on Friday

By Peter Wilson-Smith, Banking Correspondent

Building societies will announce a cut in the 11.25 per cent mortgage rate of either 0.5 or 0.75 percentage points on Friday after the special meeting they have called to reach a final decision on rates.

There are also hopes in the City that the other big banks will soon follow Barclays with a cut in their base rates. Barclays cut its base lending rate from 9 per cent to 8.75 per cent last week. The other banks are expected to at least match this and many believe they may go further with a 0.5 point reduction to 8.5 per cent.

The pound should not pose any obstacle to lower rates. It benefited from a weaker dollar yesterday, rising 1.6 cents to 1.4687 although it was slightly softer against continental currencies.

The Government's unchanged target for National Savings, announced in yesterday's Budget has put the cut in the mortgage rate firmly beyond doubt. However, the abolition of relief on life assurance premiums will reduce the attractions of endowment mortgages for new borrowers."

February net receipts at £945m are the second highest monthly figure on record, surpassed only by the £987m taken by the societies last October. In an attempt to meet the seemingly insatiable mortgage demand, societies have been offering attractive rates to investors which have helped to lure money away from competitors such as the clearing banks.

Net receipts have now exceeded £800m in each of the last six months and building society liquidity has risen to historically high levels. Their seasonally adjusted liquidity ratio at 19.9 per cent is up from 19.5 per cent last month and compares with a low point last June of 17.4 per cent.

The societies are now likely to start running down their liquidity. Net receipts usually show a seasonal drop in March and mortgage demand is picking up strongly. Societies are also more relaxed about being able to raise fresh funds in the wholesale markets to make up for temporary falls in savers' inflows, although funds raised from wholesale markets were well down at only £41m last month.

The Government's recent decision to tax societies on their gilt profits has made it less attractive for societies to hold gilts which have traditionally formed the biggest part of their investments.

New loans granted by the societies last month totalled £1,559m, still below the level at the end of last year. But commitments made to new borrowers increased sharply from £1,587m in January to £1,849m last month. This was the second highest figure ever after the record £1,905m of commitments last March.

Friday's meeting of the Building Societies Association council will choose between three options for reducing rates. These are cutting the mortgage rate by 0.5 per cent to 10.75 per cent and the ordinary share rate by either the same amount or by 0.75 per cent. The third possibility is to cut both the lending and investment rates by 0.75 per cent to give a mortgage rate of 10.5 per cent and an ordinary share rate of 6.5 per cent.

TV report hits Barratt profits

By Our City Staff

Sir Lawrie Barratt, chairman of Barratt Developments, said yesterday that the company would not change its policies, despite widespread criticism which has depressed profits in the first half of the current year.

But the Budget cut in stamp duty was exactly what Sir Lawrie wanted to encourage first-time buyers into the homes market.

Barrat Developments, Britain's biggest housebuilder, announced that profits for the six months to December 31, fell from £20.7m to £19m before tax. Turnover jumped from £220m to £259m and, as a gesture of confidence, the dividend is being raised 10 per cent to 2.31p a share.

The company was hit last year by this television programme, World In Action, which criticized its use of timber-frame building methods. Sir Lawrie said that this cost the company the sales of 1,000 units, compared with total unit sales of 7,700 in the period.

Sir Lawrie Barratt: policies will not be changed

Another World In Action programme on the subject in the next few weeks is expected to criticize Barratt's policy of selling houses with extensive furnishings. Some first-time buyers have made losses on resale of these houses. Last week, Sir Lawrie re-introduced an buy-back scheme which guarantees the original price for two years.

Sir Lawrie reported that sales in the past 2½ months have been at the same level as a year ago. He also criticized local authorities for not releasing enough land.

In America, home sales have increased and made up for the slow down in Britain.

Barratt's profits record since the mid-1970s has been spectacular. From pre-tax of £6m in 1975, Barratt has consistently broken new ground and for the year to last June reported £5.2m on a turnover of £512m.

Lasmo slips to £89.9m for year

By David Young
Energy Correspondent

Despite a slight increase in the production of oil and gas London and Scottish Marine Oil has announced a fall in profits for 1983. Pretax profits of £89.9m for 1983 compare with £113.6m in 1982 and after-tax profits total £24.9m compared with £28.3m in 1982. Lasmo will pay a final dividend of 11.5p, a rise of 0.5p over 1982.

Mr Geoffrey Searle, the company chairman, said that the principal reasons for the fall in profits were two-fold. While total production showed a small increase sales proceeds at £215.5m were £25m lower due to a build-up of stocks at the end of the year and to marginally lower sales prices. Lasmo also made provision for £14.5m in corporation tax.

Mr Seale said that the company's cash position was strong and that cash generated from operations would be more than adequate to fund the 1984 exploration and development programme which is expected to cost about £90m, 30 per cent more than last year's.

The company's tax position should be improved in 1984 as production costs in the Tiffany field in the North Sea will be offset against tax.

Mr Chris Greentree, Lasmo's chief executive, said yesterday that new gas acquisitions in the United States had already started to make a substantial contribution, output from Beatrice would be increased and the Lalang field in Indonesia would also start producing oil. Exploration in the United States has also been successful with nine of 13 wells drilled in one area showing oil.

Output rise confirms recovery

By Frances Williams
Economics Correspondent

The Chancellor's optimism on the economy in his Budget speech yesterday was underscored by new official figures showing that Britain's industrial recovery continues to make steady, though still modest, progress.

Output of the production industries, comprising energy and manufacturing, rose by 0.7 per cent in January after a 1.1 per cent increase in December to its highest level for four years. Manufacturing production alone increased by 0.5 per cent after jumping by 1.4 per cent in December.

Industrial output in the three months to January, a better guide to underlying trends than more erratic monthly figures, was 1.5 per cent higher than in the previous three months and 4.5 per cent above its level a year earlier.

But much of this was due to a steep build-up of North Sea oil and gas extraction. Britain's factories in the latest three months produced just 3 per cent more than 12 months previously.

The Government will be encouraged by a marked pick up in production of investment goods, which increased by more than 2 per cent in the three months to January. This reinforces other evidence that the long-awaited revival of manufacturing investment may have begun.

More disappointing, however, is the continued failure of the consumer goods industries to cash in on the spending boom. Output has scarcely changed since the beginning of last year despite an increase of nearly 5.5 per cent in retail sales. Instead, the demand has been satisfied by foreign suppliers. Imports of consumer goods other than cars climbed by more than 10 per cent last year.

Industrial production is now about 8.5 per cent above its trough in spring 1981. But it has not yet recovered its 1979 peak, despite the contribution of the North Sea.

Manufacturing output is still only 5 per cent higher than at its nadir and 13 per cent below pre-recession levels.

Another Nissan tour of sites

Nissan of Japan yesterday began a reappraisal of its short list of three potential sites for its £50m British car assembly factory with a visit to Newcastle.

Lord Marsh, the former Labour Cabinet Minister engaged by Nissan as its adviser in Britain, said the company could make its decision on the site in two weeks.

The Nissan team will leave Newcastle tomorrow, having once again looked over the former Sunderland Airport site, to visit South Humberside. The latter was once favoured because of its proximity to the deep water port of Immingham

At the end of the week, the Japanese will be back in North Wales to see the 810-acre site on the old British Steel Corporation's Shotton works.

De Beers lifts payout as sales recover

By Michael Prest

De Beers, the South African diamond company, celebrated the beginnings of the recovery in the diamond market yesterday by revealing a 20 per cent increase in attributable profits to R530m (£303m for 1983.

Shareholders, moreover, will receive the first dividend increase since the 1981 traumatic cut, the first since the Second World War. After raising the final dividend from 25 cents to 27.5 cents, De Beers will pay 40 cents gross for last year compared with 37.5 cents in 1982.

The higher profits are the result of the recovery in demand for diamond jewelry. The diamond account, which covers all the company's activities from mining to selling stones, showed a sharp rise in income from R287m to R430.

Another significant extra source of income was from investments such as the 38 per cent stake in Anglo American Corporation. Investment income last year was R161m against R149m. Other types of interest income rose from R49.5m to R66.7m.

After allowing for the interest charge falling from R94.8m to R73.2m, largely because De Beers has borrowed in currencies carrying lower interest rates than the rand, pretax profit was 33 per cent higher at R752m.

Diamond stocks amounted to R2,254m at the end of last year.

Greenfields falls to £153,000 loss

By Jonathan Clare

The recovery in 1981-82 at Greenfields Leisure, the camping and clothing retailers, has proved short-lived with losses in 1982-83, blamed on the recession and bad weather.

The Greenfields results for the year to October show a loss of £153,000, against profits of £536,000, and the final dividend has been cut to 0.5p making 0.75p for the year, against last time's 1.25p. Turnover fell from £21.5m to £19.2m

The company said yesterday: "The disappointing 1983 result was attributable to the recession, an abnormally wet spring and late arrival of good summer weather adversely affecting the sale of seasonable goods."

It said that the introduction of "non-seasonal merchandise" had increased the number of customers. The wholesaling division operated profitably. The figures are struck after property profits – property deals are expected to contribute significantly again this year.

A tax credit of £15,000, against last time's charge of £169,000, leaves an attributable profit of £15,000.

Equities buoyant

In the immediate aftermath of the Budget, share prices were marked up across a wide range, with the notable exception of insurances. Leading equities were up by between 3p and 5p on the day, taking the FT index to a new high of 862.4, up 18.3. The FT-SE, up 6.7 before the Budget, gained almost 10 points after the Chancellor had spoken to 1079.8.

However, government stocks behaved nervously. Dealers felt that the Chancellor's removal of tax penalties on corporate bonds may make those stocks more attractive compared with gilts. But the Budget projections of the public sector borrowing requirement contributed to underlying firmness.

On foreign exchange markets, the pound initially went higher against the dollar, but then gave up some of its gains. As Mr Lawson sat down, sterling was trading at $1.4640, a rise on the day of 1.1 cents. Nevertheless, it was down against most other currencies.

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STOCK EXCHANGES

FT-SE 100 Index: 1082.5 up 18.9
FT Index: 865.0 up 20.9
Bargains: 22,420
New York: Dow Jones Industrial Average: (latest) 1167.19 up 11.83
Tokyo: Nikkei Dow Jones Index 10,194.76 up 108.22
Hongkong: Hang Seng Index 1086.24 down 1.5
Amsterdam: 167.5 down 1.9
Sydney: AO Index 719.0 down 0.1
Frankfurt: Commerzbank Index 1008.7 up 9.9
Brussels: General Index 142.69 unch
Paris: CAC Index 169.5 up 0.6
Zurich: SKA General Index 302.80 up 2.30

CURRENCIES

LONDON CLOSE

Sterling
$1.4685 up 1.5 cents
Index 80.9 down 0.1
DM 3.7800 down 0.0050
FrF 11.6350 down 0.01
Yen 328 up 0.75

Dollar
Index 125.4 down 1.0
DM 2.5712 down 0.0346

NEW YORK LATEST
Sterling $1.4685
Dollar DM 2.5712

INTERNATIONAL
ECU £0.591491
SDR £0.730200

INTEREST RATES

Domestic rates:
Bank base rates 8¾, 9
Finance houses base rate 9½
Discount market loans week fixed 9
3 month interbank 8⅞-8¾

Euro-currency rates:
3 month dollar 10⅛-10⅝
3 month DM 5¹¹⁄₁₆-5⁹⁄₁₆
3 month Fr F14⅝-14⅜

US rates
Bank prime rate 11.00
Fed funds 9¾
Treasury long bond 97¹⁹⁄₃₂-97²³⁄₃₂

ECGD Fixed Rate Sterling Export Finance Scheme IV Average reference rate for interest period February 8 to March 6, 1984 inclusive: 9.373 per cent.

GOLD

London fixed (per ounce):
am $397.50 pm $397.25
close $397.50-398.00 (£271-£271.50)
New York (latest): $398.75
Krugerrand* (per coin):
$410-411.50 (£279.00-£280.50)
Sovereigns* (new):
$93.50-94.50 (£63.75-£64.50)
*Excludes VAT

● Energy Finance and General Trust is placing up to 250,000 ordinary shares at £1 a share in Blenheim Clinics. The proceeds, together with bank finance, will enable Blenheim to purchase and convert premises at South Norwood, South London, into a 20-bedroomed private clinic.

Political uncertainty hits Hongkong bank

By Peter Wilson-Smith, Banking Correspondent

The uncertainty over Hongkong's future and the legacy of the property collapse led to a disappointing performance from Hongkong and Shanghai Banking Corporation in 1983. Group net profits, after transfer to secret reserves, rose by only 5.7 per cent to HK$2.49 billion (£220m) compared with market hopes of a 10 per cent gain.

The final dividend of 37 cents, making 55 cents for the year is as forecast. The group expects to maintain or exceed payout in 1984, by paying total dividends of not less than 44 cents on the share capital enlarged by a planned one for four scrip issue.

Mr Michael Sandberg, chairman, blamed the lower than expected results on concern about Hongkong's political future. He said there was very little fresh investment or loan demand. "Hongkong has had a well-publicised couple of years of difficulties and they won't disappear until we have a solution to the 1997 problem," he said.

However, he said negotiations between Britain and China over Hongkong appeared to have made some progress in recent months and he expected the group's profitability to increase in 1984. This helped to reassure the stock market and the group's shares rose 2p to 81p in London after the results.

Wardley Holdings, the group's merchant banking subsidiary, suffered badly last year from its involvment in the property sector. Profits more than halved from HK$164m to HK$75m.

Hongkong and Shanghai's overseas operations seem to have been largely responsible for the higher profits. Marine Midland, the US subsidiary, reported a 16 per cent rise in net profits to $101m in 1983, but in common with other overseas operations, its contribution have been boosted by the 20 per cent fall in the Hongkong dollar during 1983.

Analysts believe that Hongkong and Shanghai Bank benefited last year from arbitrage gains from foreign exchange dealing in the parent bank. Its main subsidiary, Hang Seng Bank, also reported a 7.9 per cent rise in profits to HK$770m in 1983.

WALL STREET

Rift over merger bid

The present move of mergers in the US steel and oil industries has provoked a sharp rift within the Reagan Administration among officials who disagree strongly over the direction of anti-trust policy.

US Steel announced last Friday that it was abandoning its merger with the National Steel Corporation because it could not satisfy anti-trust demands.

A group of influential Cabinet officials believe that unless US steel companies are allowed to merge, the industry's present campaign for drastic import cutbacks will lead to more protectionism, higher prices and higher inflation.

By contrast, the Federal Trade Commission, the other agency which administers US anti-trust law, is allowing the big proposed oil industry mergers to go through.

	Mar 12	Mar 9
AMP Inc	13¾	13⅝
AMR	32⅞	30⅜
Allied Chem	49	48¼
Allied Stores	43⅝	43
Allis Chalmers	12¾	12⅛
Alcoa	40	38⅞
Amax Inc	27⅛	26⅝
Amerada Hess	29½	28⅜
Am Brands	55	53⅞
Am Broadcast	54	53
Am Can	46¼	46
Am Cyanamid	47½	46½
Am Elec Power	16⅝	16½
Am Home	52⅞	51⅞
Am Motors	5⅞	5⅞
Am Nat Res	46	46⅞
Am Standard	28⅜	27⅝
Am Telephone	17⅛	17
Armco Steel	19	18⅝
Asarco	33	33½
Ashland Oil	37	37¾
Atlntc Richfield	46¼	45¾
Arco	28	28⅜
Avon Products	23⅜	22½
Bankers Tst NY	43½	45⅛
Bank of America	21	20⅝
Bank of Boston	38¾	38½
Bank of NY	30⅝	29⅝
Beatrice Foods	32⅜	32⅞
Bethlehem Steel	25⅝	25⅞
Boeing	40⅝	39⅝
Boise Cascade	38⅛	37⅞
Borden	54⅝	53½
Borg Warner	29⅝	28⅝
Bristol Myers	44½	43¾
BP	24⅞	24⅝
Burlington Ind	28⅝	28⅞
Burlington Nthn	42⅝	41½
Burroughs	45⅞	44½
Campbell Soup	60⅜	58⅞
Canadian Pacific	33⅝	34
Caterpillar	48⅞	48½
Celanese	69½	68½
Central Soya	15	15
Chase Manhat	49¼	49¼
Chem Bank NY	48⅛	46⅝
Chrysler	27½	26
Citicorp	35	35½
Clark Equip	33⅞	31⅞
Coca Cola	52⅞	52
Colgate	23	23⅞
CBS	68½	64⅝
Columbia Gas	29⅝	29⅝
Combustion Eng	38	38⅝
Comwlth Edison	23⅞	22⅞
Cons Edison	23⅝	22⅝
Cons Foods	28⅝	27
Cons Power	10⅝	10⅝
Continental Grp	49⅝	48⅝
Control Data	37⅛	35⅞
Corning Glass	61½	61½
CPC Intnl	36⅝	36⅝
Crane	37⅞	38½
Crocker Int	29½	28¼
Crown Zeller	34⅝	32⅝
Dart & Kraft	71	70⅝
Deere	34½	33⅝
Delta Air	32⅝	31
Detroit Edison	13½	13⅝
Disney	53⅝	52⅝
Dow Chemical	29⅝	29
Dresser Ind	19⅝	18¼
Duke Power	22⅝	22⅝
Du Pont	47⅝	47¼
Eastern Air	6	6
Eastman Kodak	66⅝	66⅛
Eaton Corp	45⅝	44
Esmark	40½	39⅝
Evans P. D.	6½	6⅞
Exxon Corp	39⅝	38⅝
Fed Dept Stores	49⅞	49½
Firestone	16⅞	16⅝
Fst Chicago	24⅝	24⅝

	Mar 12	Mar 9
Fst Intrst Bncp	37½	37⅛
Fst Penn Corp	6⅞	6⅞
Ford	38⅝	37⅞
GAF Corp	15½	15⅝
GTE Corp	37⅞	36⅝
Gen Dynamics	44⅝	43½
Gen Electric	50⅝	49⅝
Gen Foods	47⅞	47⅝
Gen Mills	47½	46⅝
Gen Motors	67⅞	66⅛
Gen Pub Util NY	7⅞	7⅝
Gen Tire	32⅞	32⅝
Genesco	6⅝	6⅝
Georgia Pacific	22⅝	21⅝
Getty Oil	127⅛	127½
Gillette	45⅞	46
Goodrich	31⅝	31⅛
Goodyear	26⅝	25⅞
Gould Inc	28½	28⅝
Grace	39⅝	39⅝
Gt Atlic & Pacific	13⅝	13
Greyhound	23⅝	22⅞
Grumman Corp	23⅝	22⅝
Gulf Oil	66½	65½
Gulf & West	29⅞	29
Heinz H. J.	35⅝	35½
Hercules	31⅝	30
Honeywell	54	51⅝
IC Inds	44½	43⅝
Ingersoll	49	47⅝
Inland Steel	27½	26½
IBM	110⅝	108⅝
Int Harvester	9⅝	10⅛
INCO	14⅛	13⅝
Int Paper	56⅝	58
Int Tel Tel	39½	38⅝
Irving Bank	38⅝	38⅝
Jewel Co	42⅝	42⅞
Jim Walter	33⅝	33
Johnson & John	34⅝	34½
Kaiser Alumin	18	17⅞
Kerr McGee	32⅝	31⅞
Kimberly Clark	88½	84⅝
K Mart	31⅝	29⅞
Kroger	31⅝	31⅝
L.T.V. Corp	16½	16½
Litton	58⅝	58⅝
Lockheed	32⅝	30⅝
Lucky Stores	18½	16⅝
Manuf Hanover	37⅝	36⅝
Manville Cp	11⅝	11⅞
Mapco	25⅝	25⅝
Marine Midland	33⅞	34⅝
Martin Marietta	33½	32½
McDonnell	53	53
Mead	35⅝	34⅝
Merck	90⅝	92
Minnesota Mng	75⅝	74⅝
Mobil Oil	28⅝	30⅛
Monsanto	89	87⅝
Morgan J. P.	70	69½
Motorola	111⅝	107⅞
NCR Corp	109⅝	108⅝
NL Industries	14⅝	14½
Nabisco	41½	41
Nat Distillers	26⅝	27⅝
Nat Med Ent	19⅝	19½
Norfolk South	55⅝	54⅝
NW Bancorp	28⅝	30⅛
Occidental Pet	28	28⅝
Ogden	29⅝	35⅝
Olin Corp	27⅝	26⅝
Owens-Illinois	35⅝	35⅝
Pacific Gas Elec	13	12⅝
Pan Am	6⅞	6⅞
Penney J. C.	53	51⅞
Pennzoil	36⅝	36⅝
Pepsico	36⅝	36⅝
Pfizer	38⅝	38
Phelps Dodge	27½	26⅞
Philip Morris	65⅝	64⅝
Phillips Petrol	39	38⅝
Polaroid	27⅞	27½

	Mar 12	Mar 9
PPG Ind	30	29¼
Proctor Gamble	46⅝	46⅝
Pub Ser El & Gas	20⅝	20¼
Raytheon	38⅝	38
RCA Corp	28⅞	28¼
Republic Steel	22⅞	23
Reynolds Ind	55½	54⅞
Reynolds Metal	33	33
Rockwell Int	36⅛	35⅝
Royal Dutch	51⅝	51
Safeways	25⅝	24⅞
St Regis Paper	37	40⅝
SFE Sopac	24	23⅝
SCM	37⅞	38⅝
Schlumberger	48⅝	47
Scott Paper	27⅞	26⅝
Seagram	33⅝	33⅝
Sears Roebuck	34⅝	33⅝
Shell Oil	57⅞	57½
Shell Trans	36⅞	36¼
Signal Co	26⅝	25⅝
Singer	24	25⅝
SmithKline Beck	54⅝	54⅝
Sony	16⅝	15
Std Cal Edison	36⅝	36¼
Sperry Corp	40½	39
Std Oil Califnia	34⅞	34⅝
Std Oil Indiana	54	53⅝
Std Oil Ohio	46½	46½
Sterling Drug	24	24⅛
Stevens J. P.	20⅝	20⅛
Sun Comp	46⅝	47½
Teledyne	168⅝	165⅝
Tenneco	39⅞	39⅝
Texaco	38½	38½
Texas East Corp	63⅝	62⅞
Texas Inst	128⅝	125⅝
Texas Utilities	22⅝	23
Textron	28½	28⅝
TWA	27	26⅝
Travelers Corp	34⅛	33⅝
TRW Inc	64⅞	63⅝
UAL Inc	31⅝	30
Union Carbide	55½	54⅝
Union Oil Calif	33½	34⅝
Un Pacific Corp	44⅝	43⅝
Uniroyal	13⅝	13⅝
United Brands	19½	19⅞
US Industries	18	18
US Steel	29	28⅝
Utd Technol	61⅝	60⅝
Wachovia	42⅝	42⅛
Warner Comms	24⅝	24½
Warner Lambert	33⅝	32
Wells Fargo	35⅝	40⅛
Westnghse Elec	45⅝	44⅞
Weyerhauser	30⅝	30⅝
Whirlpool	40⅝	39⅞
Woolworth	33⅝	31⅛
Xerox Corp	39⅞	39⅝
Zenith	26⅝	26⅝
Canadian Prices		
Abitibi	25½	25¼
Alcan Alumin	42½	41⅞
Algoma Steel	25⅝	25⅝
Bell Telephone	30⅝	30⅝
Cominco	51⅝	52⅝
Cons Bathurst	26½	26⅝
Gulf Oil	18⅝	18⅝
Hawker/Sid Can	16⅝	16⅝
Imasco	34⅝	34⅝
Imperial Oil	37⅞	37⅝
Int Pipe	29⅝	29⅝
Mass.-Fergsn	4⅝	4⅝
Royal Trustco	26⅝	26⅝
Seagram	42⅝	42⅝
Steel Co	26⅞	27⅝
Thomson N 'A'	39½	39½
Walker Hiram	25	24⅝
WCT	14⅝	14⅝

•Ex div. a Asked. c Ex distribution. h Bid. k Market closed. n New issue. p Stock split. t Traded. y Unquoted.

MARKET REPORT ● by Michael Clark

Investors' confidence bolsters equities

The stock market was in a confident mood yesterday still anticipating a favourable Budget from the Chancellor with the equity market continuing its record run. At the 3pm reading the FT index showed a rise of 7.0 to 851.1, while the FT-SE 100 rose 6.4 to 1070.0. Dealers reported active turnover among selective issues at the begining with investors confident of a cut in bank base rates this week. However the close, the volume of business petered out as the market settled down to listen to the Chancellor's proposals.

The gilt market was again firm on the outlook for cheaper money, with prices in long rising by up to £¼ in moderate trade. But in after hours business turnover again trailed off and prices closed a shade below their best levels of the day.

Blue chips again enjoyed selective support. The most notable move was in **Bowater**, up 22p at 266p, after the sale of Sir James Goldsmith's near 9 per cent stake in St Regis Paper in the US, which netted him $50m (£43m). Market speculators now believe that Sir James will focus his attention on Bowater, long tipped as a possible takeover candidate. At this level Bowater is valued at £427m.

P & O enjoyed another 7p spurt to a record 312p, still awaiting the outcome of the Monopolies Commision finding, expected this week. But profit taking left the shares only 3p higher on the day at 308p.

Trafalgar House made its last all shares offer of five-for-four in May, but says it has not made up its mind whether to proceed with the bid if it receives the green light. Since the bid was referred Trafalgar has bought a stake in the North Sea Forties field, acquired andecca Resources and is now negotiating to acquire the Scott Lithgow shipyards. Trafalgar was unchanged at 239p.

The big clearing banks shrugged off fears of a possible windfall tax, but still closed below their best levels of the day. **Barclays** rose 3p to 552p, after 557p, while **National Westminster** closed steady at 694p, after 697p. But there were falls in **Midland Bank** 2p to 397p, after 402p and **Lloyds Bank** by a similar amount to 592p. Elsewhere, **Bank of Scotland** hardened 3p to 697p and **Royal Bank of Scotland** lost 3p to 222p.

Life insurance shares also appeared to recover their composure after the recent heavy selling prompted by the Chancellor's treatment of tax relief on insurance premiums. **Britannic** advanced 7p to 458p, **Equity & Law** 8p to 757p, **Hambro Life** 14p to 444p, **Legal & General** 14p to 516p, **London & Manchester Group** 3p to 483p, **Pearl Assurance** 13p to 782p, **Prudential Corporation** 16p to 476p, **Refuge Assurance** 11p to 426p, after figures, and **Sun Life** 15p to 598p.

The insurance composites were also firm with **Commercial Union** up 4p at 183p, **General Accident** 13p at 501p, **Guardian Royal Exchange** 8p at 536p, **Phoenix Assurance** 3p at 438p, and **Royal Insurance** 13p at 563p.

The brokers took comfort from Mills & Allen International's decision to take a near 8 per cent stake in **Hogg Robinson**, one of the market's old takeover favourites, up another 14p at 200p – for a two day gain of 19p.

Improvements were also seen in **CE Heath** 2p to 330p, **Minet Holdings** 4p to 150p, **Reed Stenhouse** 5p to 643p, **Sedgwick Group** 4p to 225p, **Stewart Wrightson** 8p to 321p and **Willis Faber** 10p to 687p.

In the financial sector London's largest publicly quoted jobbing firm, **Akroyd & Smithers**, continued to benefit from the recent mergers in the stock market with a rise of 18p to 520p.

Among those sectors most likely to be affected by the Chancellor's proposals, tobaccos spent a quiet day waiting to see how much would be added to the duty on a packet of cigarettes. **BAT Industries** recovered an ealy fall to close unchanged 187p. **Imperial Group** hardened 1p to 147p, but **Rothmans International 'B'** on 128p was unchanged as was **Dunhill Holdings** on 590p.

Most of the leading brewers showed little change on the day. **Allied-Lyons** on 154p, **Bass** on 325p, **Arthur Guinness** on 156p, **Scottish & Newcastle** on 114p and **Vaux Breweries** on 211p were unchanged. The exceptions were **Grand Metropolitan**, the Watney and Truman beers group, up 4p at 300p **Greenall Whitley** 1p to 135p and **Whitbread 'A'** 1p to 147p.

The retail sector, the most likely beneficiary of any reduction in corporation tax, encountered further selective support. The departmental stores saw **Bentalls** 2p higher at 46p, **Debenhams** 1p at 158p, **Liberty** 10p at 210p, while **House of Fraser** lost 2p at 268p.

Mail order was another well supported sector with **Empire Stores** up 2p at 88p, **Fine Art Developments** 1p at 52p, **Freemans** 2p at 114p and **Grattan** 4p at 82p. In the multiples, **Burton** stood out with a rise of 6p to 243p ahead of figures out soon. Smaller improvements were seen in **Boots**, 3p 167p and **British Home Stores**, 2p to 218p.

Shares of **Readicut International** closed 1p dearer at 29½p after news that Mr Joe Hyman now speaks for 5.75 million shares, representing 7.47 per cent of the total issued share capital.

Among yesterday's newcomers, **CPS Computers**, the distributor of IBM equipmetn and computers, more than livew up to its expectations. The 2 million shares which came to the Unlisted Securities Market at 67p, via a reverse takeover of Olympia (Redacre), opened at 185p, before porfit taking left the price at 170p a massive premium of 103p.

Broker Greiveson Grant has already recommended the shares as a strong buy in its latest USM review.

At this level, CPS is valued at £37.4m and the combined stakes of Mr John Sewell, chairman, and fellow directors Mr Richard Bridgewater and Mr Edwin Robbins are worth more than £24m. However, CPS is expected to apply for a full listing of its shares within a year.

The other USM newcomer was **Platin International**, which manufactures instruments for the control and measurement of fluids. Broker Murray & Co placed almost 20 per cent of the company with clients after a reverse takeover of Hawker Marris. The 604,000 shares were placed at 120p a share and opened at 148p before closing at 143p a premium of 23p. At this level the company is valued at £3.6m

Alantic Resources has resumed drilling on its third well in block 49/9 of the Celtic Sea after overcoming mechanical problems which held up the process for several weeks. Results from well, which will confirm whether commercial development of an existing oil find on the block is possible, will take another two to three weeks. Meanwhile Atlantic's shares are likely to continue their switch back ride.

Stanley Gibbons Holdings, the world renowned stamp dealing business, is to receive a quote on the Unlisted Securities Market. The directors are forecasting profits of £1.1m for the year to the end of June – a big improvement achieved since the management buy-out in 1982. Stanley Gibbons was taken over by Letraset in 1978, but profits collapsed soon after with a £2.25m loss for 1980-81. Letraset was subsequently taken over by Esselte which sold Gibbons to the management.

Brewmaker beats its forecast

Brewmaker, the home beer, wine and soft drinks kits manufacturer, has topped the £600,000 profits forecast made when it joined the Unlisted Securities Market in November.

Figures for the 13 months to January 31, show pretax profits more than doubled, at £622,000 on turnover up from £4.18m to £6.31m. The comparable figures cover a 12-month period.

The directors have decided to pay a final dividend of 0.4p. Originally, they had not intended to pay a dividend and say this should not be taken as an indication of future dividend policy. The decision reflects the board's belief that shareholders should receive payment on their capital, despite the relatively short period that their money had been invested in the company. The shares greeted the news with a 1p rise to 37p, compared with the November placing price of 33¼p.

Mr Colin Sanders, the chairman, remains confident of contining growth in the current year.

In brief

● OCEONICS GROUP: Contracts for acquisition of Air-Log, Tomash Holdings, Laser Holdings and Deepform Technology have been exchanged. Price: £13.5m in cash, shares and a promissory note.

● HIGGS AND HILL: Acceptances received for 90 per cent of the 2.24 million ordinary shares offered by way of rights issue.

● REFUGE ASSURANCE: Total dividend, net a share, for 1983 up from 16.75p to 20p. Net profit, after tax, £5.11m (£4.13m).

● S. W. FARMER GROUP (makers of structural steelwork and platework): On turnover down from £24.69m to £15.52m, pretax profits declined from £914,000 to £529,000 in 1983. The total net dividend is being maintained at 9.75p a share. Farmer's board explains that a reduced trading volume has still enabled the company to maintain a modest profit, despite continuing difficult conditions. The reduced turnover is partly due to a lower volume, but also to lesser added value. These profits are far less than the company is capable of achieving in more favourable circumstances.

● RICOH: Subscription agreement for the issue of £30m 5¼ per cent notes, 1989, with warrants to subscribe for shares of common stock, has been signed. Exercise price: 984.30 yen a share.

● NICHOLAS KIWI LIMITED (Results for the half-year to December 31, 1983): The consolidated sales of $A167.2m (£110m) and operating profit after tax of $A10.47m represent increases of 10.5 per cent and 16.2 per cent respectively over the corresponding period last year, in spite of the appreciation of the Australian dollar over recent months. The extraordinary item of $A302,000 represents profit on the sale of the group's remaining shareholding in F. H. Faulding. Trading conditions around the world were generally better than in the corresponding period last year, although conditions were difficult in some African countries and in France.

● CENTENNIAL MINERALS (of Canada) has agreed in principle, subject to regulatory approval, to create and issue convertible debentures in the aggregate principal amount of $2m maturing in 1989, and bearing interest at the rate of 10 per cent. The debentures will be convertible at the option of the holders prior to maturity or redemption into common shares of the company at a conversion price of $6.67 per common share.

Base Lending Rates

ABN Bank	9%
Barclays	8¾%
BCCI	9%
Citibank Savings	†10¼%
Consolidated Crds	9%
Continental Trust	9%
C. Hoare & Co	*9%
Lloyds Bank	9%
Midland Bank	9%
Nat Westminster	9%
TSB	9%
Williams & Glyn's	9%

† Mortgage Base Rate.

* 7 day deposits on sums of under £10,000, 6¼%; £10,000 up to £50,000, 6¾%; £50,000 and over 7¼%.

Garfunkels plans full listing

By Ian Griffiths

Garfunkels, the London restaurant chain, is planning to move up from the Unlisted Securities Market to a full Stock Exchange listing after it more than doubled pretax profits from £321,000 to £757,000 in 1983.

Mr **Reginald Kaye**, joint managing director, said: **"We are very pleased with the reults and will be looking for a full listing either later this year or early next year."**

Most analysts had been forecasting pretax profits of about £600,000. Shareholders are also rewarded with a one-for-one scrip issue and a 2.25p dividend, up from 1p last year.

The company ended the year with 20 restaurants in operation andplans are in hand for opening three more. Ten restaurants were opened in 1983, helping turnover to double to £6.8m.

Mr **Kaye said: "In 1984 we will have the benefit of a full year's trading from our new restaurants, and if everything remains normal we should be in for another very good year."**

APPOINTMENTS

Technical director for Guinness

Arthur Guinness and Sons: Mr **Alfons Walser** has been appointed to the new position of technical director of Guinness Brewing Worldwide. At present, he is operations director of Guinness Ireland.

Trafalgar House: **Mr D. M. Calverley, Mr J. W. S. Fletcher, Mr I. Fowler and Mr J. R. Williamson** have been appointed directors.

Tozer Kemsley & Millbourn (Holdings): **Mr A. Michael Davies** has become deputy chairman. He joined the TKM board as a non-executive director in December 1982 and is now chairman of the finance committee of the board and also a member of the executive committee.

Britvic: **Mr Stephen Davies** has joined the board as finance director. He continues as assistant company secretary. Mr Davies also becomes a director and assistant company secretary of Lyons Soft Drinks.

Williams Lea & Company: **Mr John Mercer** has become sales and marketing director.

Bradstock, Blunt & Crawley: **Mr David Stratton** has been made a director.

Royal Insurance: **Mr D. I. W. Reynolds**, a deputy general manager, Royal Insurance (Int.), is appointed group strategic planning manager, Royal Insurance. **Mr W. G. Prince**, deputy managing director, Royal Insurance Australia, is appointed a deputy general manager, Royal Insurance (Int.).

Barclays Bank International: **Mr Mark Deverell**, formerly a divisional general manager at the bank's head office in London, has been appointed regional general manager in Australia.

Brittany Ferries: **Mr Ian Carruthers** has become a director.

Macallan-Glenlivet: **Mr Ian Coombs** has joined the board as a non-executive director.

Triplex Foundries Group: **Mr James Fowler** has become a non-executive director.

The Fleming Technology Investment Trust: **Dr Eric Duckworth** has been made a director.

UCC International Group: **Mr Roderick Heather** has been made group marketing director.

CRICKET: SMITH AND GATTING MAKE GOOD START ON PITCH FULL OF RUNS

England bowlers respond to mind-reading by Gower

From John Woodcock, Cricket Correspondent, Faisalabad

England's sweat and toil continued here yesterday as Pakistan took their first innings score in the second Test match *from 257 for four to 449 for* eight declared. The chances of an English victory, remote enough before a ball was bowled, have gone, but there should be a packet of runs left in the pitch – that is if England bat as they should and can find enough fit players to send in. In 11 overs last night Gatting and Smith looked quite encouragingly secure, Gatting playing, albeit briefly, as though he was wearing his Middlesex cap at Lord's.

A. C. Smith, the England manager, is reduced for the moment to naming those who are feeling on top of the world – Foster, Marks, Randall and Taylor – rather than the others, all of whom have either "tummies or throats". Fowler left the field in the early afternoon, not to return, which was why Gatting opened. Others went on and off, but on a bumpy outfield England always fielded keenly, and in no way did they let anyone down.

Without Botham there was, *at once, less untidiness in the* bowling, yet more sense of the inevitable. Willis, who had hoped to get to the ground to watch the evening's play, was not, in the event, up to it. Even in the best of health he would have been unlikely to get much nearer Dennis Lillee's record of Test wickets. But not until England have batted properly should the pitch be condemned as being too good to be good.

There was a fair crowd, if nothing like as large as those which attend public floggings on the same ground. Then the gates *have been known to be closed.* An early break might have kept England in with a winning chance, and although they worked hard for it, with a new ball to help them, it was not until the last ball before lunch that they took the first wicket of the day. Dilley beat and bowled Salim when he was 93; but it was off a no-ball. Not long afterwards, also with a no-ball, Foster had Salim caught at the wicket. That, too, was an involuntary stroke.

Eighteen months ago, when Australia played Pakistan in a Test *match here, they like* England had to field first. Well before the end of the first day Thomson and Lawson were both bowling without a slip. England never got down to that, or anything like it. For just about the first time since Willis took over as England's regular *captain, the side knew where to* look for guidance. There were councils of war, but it was clearly Gower who was taking the decisions and reading the batsmen's minds in a way in which Willis, as a bowler, nad never been able to do.

Foster and Dilley again bowled very decently, Dilley, especially, having a *little luck* and producing the occasional genuinely fast ball. Marks was dutiful, and *for that he* was rewarded, with a wicket. The first wicket went to Cook and caused something of a commotion. Forty minutes earlier Cook had turned a ballenough to beat Ssalim's forward defensive stroke. The next one to turn found the edge of Salim's bat, *again as he played forward, and* carried to Lamb, fielding close up at slip. There was never the slightest doubt that the ball came off the bat or that it was a fair catch. Salim, however, stood his ground.

Practically no one walks these days if they think they have a chance of getting away with it if they do not. In this particular case the bowler's umpire said he was unsighted, and it was not until England, with some difficulty, involved the square leg umpire that justice was done. Far from helping umpires when *they are not very good*, players, I am afraid, take advantage of them. The morning had produced 66 runs from 26 overs for Salim's wicket – a tidy, persevering English performance, if no more.

The afternoon also yielded one wicket. On the whole England stuck to their prematch resolution about line and length. When Foster forgot it for an over he paid the penalty, Wasim Raja hitting him for three fours to reach his fourth test hundred and his first *against England.* Wasim's was an agreeable inninfs, a little slow for him, perhaps, but balanced of footwork, sweet of timing and elegant of stroke.

There was a time when Qadir would have been the first of the tail-enders, but not any more. He and Wasim had added 93 when Wasim was bowled. Qadir's footwork was confidently nimble, his six over extra cover off Marks being as good a stroke as was played by anyone. But soon after tea he mishooked Dilley to extra cover, Foster, going down on his knees to *make the catch.* Then Dilley, with a conspicuous change of luck, had a half-hearted appeal for leg-before upheld.

With the ball passing far down the leg side it occurred to no one but Dilley to appeal and even he looked a trifle embarrassed as Dalpat departed. A Sarfraz slog of two later Zaheer declared, just as England, I dare say, were beginning to hope he would not.


Gower: taking decisions after councils of war

Pakistan: First Innings

Mohsin Khan c Lamb b Dilley	20
Mudassar Nazar c Gatting b Cook	12
Qasim Omar c Gatting b Foster	16
*Zaheer Abbas l-b-w b Gatting	68
Salim Malik c Lamb b Cook	116
Wasim Raja b Marks	112
Abdul Qadir c Foster b Dilley	50
†Anil Dalpat l-b-w b Dilley	8
Sarfraz Nawaz not out	16
Tauseef Ahmed not out	1
Extras (l-b 11, w 2, n-b 17)	30
Total (8 wkts dec)	449

FALL OF WICKETS: 1–35, 2–53, 3–70, 4–200, 5–323, 6–426, 7–430, 8–433.
Azeem Hafeez did not bat.

BOWLING: Foster 30-7-109-1; Dilley 28-6-101-3; Cook 54-14-133-2; Marks 27-9-59-1; Gatting 3-0-17-1.

ENGLAND: First innings

C L Smith *not out*	3
M W Gatting not out	22
Extras (b 1)	1
Total (no wkt)	26

*D I Gowe, A J Lamb, D W Randal, G Fowler, V J Marks, †R W Taylor, G R Dilley, N G B Cook and N A Foster to bat.

BOWLING: Azeem 1–0–11–0 Sarfraz 1–0–1–0 Wasim 4–2–5–0 Qadir 4–1–8–0.

Umpires: Mahboob and Shah and Javed Akhtar.

Sri Lanka encouraged by record stand

Kandy (AFP) – Sri Lanka recovered after losing four wickets before lunch to reach 215 in reply to New Zealand's 276 at the Asgiriya Stadium here yesterday. They then dismissed two New Zealand batsmen for 77 in their second innings by the close of the fourth day of the first Test match.

The last wicket pair, of the newcomer Jayantha Amerasinghe, and the pace bowler, Vinodhan John, compiled an heroic stand of 60, to pull Sri Lanka out of the wood. Sri Lanka, struggling at 155 for nine after all their front line batsmen had failed, thus made a remarkable recovery.

It was the highest last wicket stand for Sri Lanka in Test matches. Amerasinghe's 34 made him Sri Lanka's top scorer in the innings and John made his highest Test score when he reached 27 not out. The New Zealand pace bowler, Hadlee, finished with four for 35 off 20 overs.

Wright was out for four and Reid for 30, as New Zealand struggled to 77 for two, a lead of 138, in their second innings.

NEW ZEALAND: First innings 276 (V B John 5 for 86).

Second innings

*G P Howarth not out	38
J G Wright c de Alwis b John	4
J F Reid c Ranatunga b de Silva	30
J C Bracewell not out	0
Extras (b 1, l-b 1, w 3)	5
Total (2 wkts)	77

FALL OF WICKETS: 1–14, 2–75.

BOWLING (to date): John 8-1-21-1, Ranatunga 4-0-14-0; Amerasinghe 7-2-23-0; de Silva 7-1-14-1.

SRI LANKA: First innings

S Wettimuny c Coney b Hadlee	0
E R N S Fernando c Hadlee b Boock	19
S M S Kaluperuma c Howarth b Bracewell	18
*R J Ratnayake c Smith b Hadlee	6
L R D Mendis c Bracewell b Hadlee	5
R Madugalle c M D Crowe b Hadlee	33
A Ranatunga c Bracewell b Cairns	20
D S de Silva b Bracewell	11
†B G de Alwis l-b-w b Boock	26
V B John not out	27
A M J G Amerasinghe run out	34
Extras (l-b 2, n-b 4)	6
Total	215

FALL OF WICKETS: 1–0, 2–38, 3–55, 4–55, 5–61, 6–89, 7–120, 8–132, 9–155, 10–215.

BOWLING: Hadlee 20.5-7-35-4; Cairns 18-3-71-1; *M D Crowe 3-1-4-0; Boock 25-7-63-2;* Bracewell 15-4-36-2.

Test trio retire on high note

Perth (AFP). – Western Australia won the Sheffield Shield for the *ninth time when they defeated* Queensland by four wickets in the final here yesterday.

Western Australia, needing 223 on the last day to win, survived *some anxious moments before* reaching 224 for six.

The game marked the end of the long careers of Laird, Marsh and the Western Australia captain, Lillee.

Scores: Queensland 431 for 7 dec and 154; Western Australia 383 and 224 for 6 (B Laird 54no, R Marsh 45, G Shipperd 41; G Whyte 3 for 28, Thomson 2 for 96).

Other cricket, page 24

TENNIS

New sponsorship for Wightman Cup

By Rex Bellamy, Tennis Correspondent

The next Wightman Cup contest, between the women of Britain and the United States at the Albert Hall from November 1 to 3, will be sponsored by Nabisco, a grocery company whose products include biscuits and *breakfasts cereals.* Having sponsored the event in Virginia last year, they have now agreed to invest about £150,000 in the British fixture, and may be *persuaded to* make a long-term commitment.

As from next year, Nabisco will also back the men's grand prix circuit, and its climactic lap of *honour, the Masters tournament,* for at least three years.

The economic recession has affected all professional sports. Until yesterday's announcement, *Britain's* sponsored big-money events for leading players had been reduced to the men's tournaments at Queen's Club and Wembley. A worrying trend has therefore been *arrested.* Without sponsorship, tennis players would have to make do with a share of tournament profits, if any.

The US lead 45-10 in the *Wightman Cup series, and could* ruin the fixture's competitive flavour if all their leading players agreed to take part. The event would then have to fall back on its other considerable advantages: as a sporting and social festival with a great tradition, and as a means of *blooding potential recruits* to the smaller teams who compete in the world championship for the Federation Cup.

● NEW YORK: Andrea Jaeger, Kathy Jordan, Kathy Horvath and Anne Smith will play for the United States in the Federation Cup in São Paulo on July 16 to 22 (AFP reports). The Americans, who have won the competition 11 times, lost the title to Czechoslovakia in Zurich last year.

PALM BEACH GARDENS: Virginia Slims Tournament: First round (US unless stated): K Sands bt A Cecchini (It), 3-6, 7-5, 6-3; I Madruga-Osses (Arg) bt C Monteiro (Br), 6-2, 6-3; L Forood bt C Vanier (Fr), 3-6, 6-4, 6-1; L Arraya (Peru) bt P Vasquez, 6-4, 6-7, 6-4; S Solomon bt B Nagleson, 6-0, 6-3; A White bt E Longo (Br), 6-4, 7-5; P Casale bt P Teeguarden, 6-1, 6-2; A Minter (Aus) bt F Raschiatore, 2-6, 7-6, 6-1; E Inque (Japan) bt P Delhees (Switz), 6-3, 6-4; G Purdy bt B Bramblett, 6-0, 6-3; J Kitch bt S Leo (Aus), 7-5, 6-2, V Nelson bt S Amiach (Fr), 6-2, 6-2; M Torres bt B Gerken, 6-4, 6-3; T Mochizuki bt J Mundel (SA), 6-3, 7-5; J Russell bt L McNeil, 6-4, 6-4; *M Brown bt P Huber (Austria), 4-6, 6-2,* 6-4.

TABLE TENNIS

Sponsors withdraw

Norwich Union Insurance announced yesterday that they are withdrawing from their worldwide table tennis sponsorship. Among the principal sufferers will be the English Table Tennis Association, whose open and closed championships have been sponsored by the company for the past 10 years. This year alone, their sponsorship of the two championships amounted to £16,000.

Ken Hurst of Norwich Union denied that the decision had anything to do with the introduction of the plastic ball which caused controversy at this year's open championship.

He said: "The withdrawal is part of a review of our sponsorship. The decision is no reflection upon our excellent relationship with the ETTA."

Mike Watts, deputy general secretary of the ETTA, said: "*Obviously we are disappionted* because we have had a long association with Norwich Union.

TODAY'S FIXTURES

Kick-off 7.30 unless stated

FA Cup
Sixth round replay
Derby County v Plymouth Argyle
First division
Nottingham Forest v Everton
Norwich v Notts County
Third division
Oxford United v Gillingham
Scottish first division
Ayr v Partick Thistle
Morton v Hamilton
Scottish second division
East Stirling v Stranraer
Montrose v Stirling Albion
Stenhousemuir v Queen's Park
European under-21 championship
Scotland v Yugoslavia (in Aberdeen)
Asociate Members Cup
Second round
Wrexham v Exeter

SOUTHERN LEAGUE: Premier division: Alvechurch v Welling; Folkestone v Stourbridge. Midland division: Merthyr Tydfil v Redditch; VS Rugby v Milton Keynes; Wellingborough v Willenhall.
CENTRAL LEAGUE: (7.0) First division: Blackburn v Everton; Bolton v Sheffield United; Liverpool v Sunderland. Second division: Barnsley v Wolverhampton Wanderers; Huddersfield v Wigan (7.30).

FOOTBALL COMBINATION: Leicester v Norwich City (2.15); Millwall v Reading (2.0).
ISTHMIAN LEAGUE: Second division: Newbury v Leyton/Wingate; Tring v Epping.
NORTHERN PREMIER LEAGUE: Cup, third round: Mossley v Macclesfield.
CAMBRIDGESHIRE SENIOR CUP: Cambridge City v Wisbech.
MIDWEEK LEAGUE CUP: (2.0): Cambridge United v Northampton; Portsmouth v Brentford.

RUGBY UNION
CLUB MATCHES: Abertillery v Pontypridd (7.0); Bath v Exeter University; Glamorgan Wanderers v Royal Navy (7.45); Llanelli v South Glamorgan Institute (7.0).
BASS MERIT TABLE: Weston-super-Mare v Stroud (7.15).
HOSPITALS CUP: Final (replay): Royal Free v St Mary's (Rosslyn Park, 3.0).
BRITISH POLYTECHNICS CUP: Final: Bristol v Kingston (Sunbury, 3.0).

RUGBY LEAGUE
FIRST DIVISION: Widnes v Hull KR.
SECOND DIVISION: Halifax v Kent Invicta.

HOCKEY
REPRESENTATIVE MATCHES: Combined Services v UAU (Bisham Abbey, 4.0); London University v HA XI (Motspur Park, 2.45).
BPSA semi-final: Bristol Polytechnic v Sheffield Polytechnic (Lilleshall, 2.0).

RACKETS
OPEN DOUBLES (Queen's Club, 5.30).

RUGBY UNION

Harding: in for Hill

Harding is replacement for England

By David Hands
Rugby Correspondent

Richard Harding, the Bristol scrum half, makes his first appearance as England's replacement for the game against Wales at *Twickenham on Saturday. He takes* the place of Hill (Bath) who damaged a hamstring at the weekend. Harding, a B international, joined England at training *at Stourbridge on Monday evening.*

His next club game will be the John Player Cup semi-final against Harlequins on March 24 when the London club may well have another *Richard – Cramb – playing stand-*off half. Cramb however has a date against a different Bristol side today on behalf of Kingston, who play Bristol in the final of the British *Polytechnics Cup,* sponsored by *Rugby World,* at Sunbury.

He will be at full back as one of four Kingston students who have represented the British Polytechnics *this season. Bristol accounted for* Polytechnic of Wales, the holders, and beat the useful Trent team, 17-7, in the semi-final.

BRISTOL POLYTECHNIC: S Dybble; R Powell, R Evans, I Pike, G Jones; R Pinnell, B Edmunds; P Meades (capt), D Ridler, M Crooks, J Willis, M Case, M Thomas, A Jones, C Mills.
KINGSTON POLYTECHNIC: R Cramb; G Pearson, R Brosch, D Evans, D Parkes; I Skinner, M Wallace; G Birt, K Withey, S Hauter, P Ashworthy, T Lishman, M Howll, J Meadowcraft, M Vellacott.

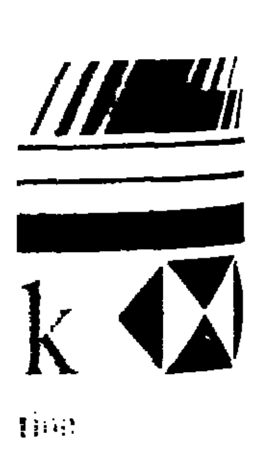
The Americans are coming

British rgby will benefit from the United States RFU decision to ask their territorial unions to tour abroad every other year.

This week, one of America's strongest unions, Midwest, arrive in Britain on an 18-day tour during which they will meet six leading clubs.

Eastern will arrive in September, playing in England and Wales, and Western plan a three-week visit in September/October.

MIDWEST RFU SCHEDULE: Surrey XV, March 18; Exeter, March 20; Bath, March 22; Northampton, March 25, London Welsh, March 28; Middlesex XV, March 30.



Authorized Units & Insurance Funds

1983/84 High Bid	Low Offer	Trust	Bid	Offer	Yield
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FOOTBALL

Derby hover on the brink as judge adjourns hearing until Monday

By Nicholas Harling

As one second division club is saved, another hovers precariously on the brink of extinction. After Charlton 84, the liklihood of Derby 84. Like Charlton Athletic the week before last when their fate hung in the balance by the threads that were a High Court decision and adjournments, so does that of Derby County, who must now wait until Monday at least before discovering whether they are to survive.

The extra suspense was forced upon Derby yesterday by the High Court judge who refused to sanction Robert Maxwell's rescue package. Mr Justice Mervyn Davies said he was "not satisfied" with the proposals put forward by the millionaire publisher to save the struggling club – with debts of around £1.5m – in their present form. The winding up petition, brought by the Inland Revenue over tax debts of more than £210,000 was adjourned until Monday, although Derby had asked through their counsel Robin Potts, for the case to be heard on Thursday, the reason being that Derby would then have more time to buy two new players before the transfer deadline of March 22.

Sitting in court 35 where last week he had presided over the survival of Charlton, Mr Justice Davies accused Derby of "trying to make a mockery of the winding-up order". He said: "You will be leaving the Official Receiver with a dummy that he can do nothing with and that seems to me to be undesirable. It's an amorphous agreement."

If that request by Derby was astonishing, so is the timing of their plight with the biggest crowd of the season expected at The Baseball Ground for tonight's FA Cup sixth round replay with Plymouth Argyle, which could lead to an even greater windfall should they emerge to face Watford in the semi-final on April 14.

All of which made little impression on Mr Justice Davies, who told Mr Potts before he could begin his argument: "I cannot see myself in a position to grant this application today." Saying he had reservations about the plans, the judge explained that it would not be right to continue the hearing without giving the Official Receiver the opportunity to be represented by counsel in court.

Under the deal Maxwell was prepared to pay £200,000 for the club's assets, worth only £2,000. This would go towards paying part of the £210,000 owed to the taxmann £131,948 to the Inland Revenue and £78,128 in unpaid VAT.

Maxwell would also pay £300,000 to the National Westminster Bank for the Baseball Ground and the bank would then write off the £450,000 balance of the £750,000 owed to them.

The package also provides for an additional £300,000 to partly pay other creditors.

Mr Justice Davies said the adjustment would give time for proper consideration of the rescue deal to be put before the court. He thought the arrangements were "attractive" and could not imagine they would not be sanctioned, but added that they needed further consideration.

"I'm not going to push through at short notice a transaction which nobody has properly worked out or considered."

But Mr Potts, countered, "If the arrangement does not go through we don't know if the purchaser will still be there." The judge replied: "Well that's bad luck isn't it."

Derby's fear is that any alternative plan to save them which would satisfy the judge, the Inland Revenue, the Official Receiver and the Football League, would not have the support of Maxwell.

Jolly Rogers

Andy Rogers, the Plymouth Argyle winger, is fit for today's FA Cup quarter-final replay at Derby. Rogers had a precautionary X-ray examination for a suspected broken rib, but said yesterday: "It's no more than a strain and I'll be fit".

Derby are definitely without injured David Hooks as they attempt to reach a semi-final clash with Watford, at Villa Park.

Rummenigge: transfer fee breaks Italian record

Stein wants to see promise fulfilled

The Scotland manager, Jock Stein, yesterday challenged his promising young players to force their way into the international reckoning for the next World Cup. The Scots face Yugoslavia in the quarter-final first leg of the European Under-21 Championship in Aberdeen tonight, and Stein said: "It's time for some of them to put their names forward for the senior team".

Stein, who has used the under-21 competition to promote Mcstay, Simpson and Gough to full international level during the qualifying games is now looking to others, such as Liverpool's Nicol and Cooper, of Aberdeen, to make a significant breakthrough.

He said: "We play England, France and Yugoslavia before the start of the next World Cup qualifying campaign – and those games should all be targets for the under-21 players."

The Scots were unbeaten in comfortably winning their section, but they face a difficult task against Yugoslavia, who have included seven full international players in their squad. Stein said: "I'm told that four of them will be in Yugoslavia's squad for the European Championship finals, so they clearly possess a lot of talent".

Stein has selected four full internationals, in McStay, Simpson, Gough and the over-age player, Aitken, of Celtic, who captains the side. Watford's goal machine, Johnston, who played his first 45 minutes for the senior side against Wales last month, links up with McClair, of Celtic, in a promising forward partnership.

SCOTLAND UNDER-21's: B Gunn (Aberdeen); S Nicol (Liverpool), M Malpas (Dundee United), R Aitken (Celtic, capt), R Gough (Dundee), N Cooper (Aberdeen), P McStay (Celtic), N Simpson (Aberdeen) B McClair (Celtic), D Bell (Aberdeen), M Johnston (Watford). Substitutes: N Walker (Rangers), S Clarke (St Mirren), M Reid (Celtic), J Robertson (Heart of Midlothian), J Hewitt (Aberdeen).

● AMSTERDAM: Both the Netherlands and Denmark will be without a number of leading players when they meet her today (Reuter reports).

For Denmark, the match is part of their build-up for the European Championship finals. They meet the hosts, France, in the opening game on June 12. The Dutch just failed to qualify for the European tournement

Injuries to van Basten, Vandenburg and Koeman in club matches at the weekend forced Rijvers to juggle the squad of 15 players. He called up two newcomers, Hoekstra, of Feyenoord and the Sparta forward, Holverda, and brought back van der Gijp, of the Belgian club, Lokeren.

The Danish coach, Sepp Piontek, is unable to call on the injured pair, Arnesen and Jesper Olsen, Bergreen, of the Italian club, Pisa, recovery from a car accident, and Morten Olsen, of Anderlecht, of Belgium, suffering from influenza, are also likely to miss the match

Coventry may face discipline

Coventry could face a Football Association crowd investigation after a two-minute stoppage in their recent league game against Birmingham. "We have written to Coventry asking for their observations", an FA disciplinary official confirmed. "Their reply will be put to a commission to see if further action should be taken". Colin Downey, the referee, halted the game when fans started running along the touchline and on to the pitch. So far the FA have not involved Birmingham, who last week were threatened with FA Cup expulsion after being found "guilty" of crowd trouble during their fifth round cup tie against West Ham.

West Ham were also found guilty and both clubs have said they will appeal against the verdict which will see them excluded from the next two FA Cup competitions if they are involved in further trouble this season.

The Coventry incident, however, occurred before that decision and, even if the FA decide to bring Birmingham into the latest investigation, it will not count towards the Cup ban. "The commission may also want Birmingham's observations", the FA official said.

Monday's results

ASSOCIATE MEMBERS' CUP: Second round: Tranmere 4, Chester 1.
MIDWEEK LEAGUE: Brentford 0, Peterborough 1.
CENTRAL LEAGUE: First division: Sunderland 1, West Bromwich Albion 0. Second division: Chesterfield 4, Preston 0.
NORTHERN PREMIER LEAGUE: Bass Cup, semi-final, first leg: Hyde 1, Worksop 1.
ALLIANCE PREMIER LEAGUE: Nuneaton 3, Bangor 0.
SOUTHERN LEAGUE: Midland division: Shepshed Charterhouse 3, Merthyr Tydfil 2. Southern division: Hounslow 2, Canterbury 2; Poole 2, Salisbury 1.

Tuesday's results

FOOTBALL COMBINATION: Ipswich 0, Queen's Park Rangers 1; Fulham 0, Charlton 1; Brimingham 1, Chelsea 6; Tottenham 0, Arsenal 1.

Zico to retire

Rio de Janeiro (Reuter) – The Brazilian footballer, Zico, has said he plans to retire in 1987 when he may start a new career as a coach.

Inter to pay £2.75m for Rummenigge

Milan, Italy (Agencies) – Inter Milan yesterday announced they have reached agreement with Bayern Munich to sign Karl-Heinz Rummenigge for about £2.75m.

Ernesto Pellegrini, the new president of Inter Milan, said the 28-year-old captain of the West German national team is expected to sign a final contract later this week.

"Only a few details of Rummenigge's personal contract must be settled. We are confident that there will be no last-minute hitches," he said.

Rummenigge's contract will be for three years. According to club sources, Rummenigge's salary will be no less than £500,000.

Pellegrini, who replaced Ivanhoe Fraizzoli as president of Inter Milan earlier this month, said the club expected a significant improvement in gate takings as a result of Rummenigge's transfer. The deal has been described by the Italian pres as "the biggest business in football history." In fact, it is the most expensive transfer in Italian football history, but still less than the fee paid by Barcelona for Maradona.

Pellegrini said his club eill expoit the "commercial image" of Rummenigge during the period of his contract. However, the player will be allowed to keep his personal contracts with a German and to Italian commercial sponsors. Inter already have five other sponsors lined up who want to use Rummenigge's name.

Negotiations with the player were successfully carried out by Sandro Mazzola, a former Inter Milan player and Italian international who has become an executive.

At a press conference, Mazzola said Rummenigge had imposed a clause providing his release for any West German international since "he wants to keep his position as captain of the team."

Inter Milan will have to sell one of their foreign players to make room for Rummenigge. At present thay have the West German, Hansi Müller and Belgian midfield player, Ludo Coeck.

The Italian football federation allows first division clubs to have only two foreign players. It has imposed a two-year transfer embargo from June 30 to avoid interference with the national team's preparations for the 1986 World Cup.

● The West German coach Jupp Derwall, has said that Rummenigge cannot remain on as West German captain after he moves to I ter Milan. "The captain has to play for a German club," Derwall told newsmen in Hamburg.

Rummenigge has been captain of the national team since April 29, 1981, when West Germany beat Austria, 2-0, in Hamburg. He replaced Bernard Dietz.

Anderson out injured

Viv Anderson, Nottinghham Forest's international defender, will miss tonight's home league game against Everton. Anderson dislocated his shoulder in last week's UEFA Cup game against Sturm Graz and it is doubtful whether he will be fit for the second leg on March 21.

Their manager, Brian Clough, will bring in Bryn Gunn at right back, with Kenny Swain switching to the other flank. Clough, who has named a squad of 13, said: "The injury could not have come at a worse time. It is a case of make-or-break for us in the next 10 days and I just cannot afford to have any player unfit".

Everton, in the Milk Cup Final and in the FA Cup last four after a run of one defeat in 18 games, also select from 13. The squad includes John Morrissey, aged 19, the son of a former Goodison winger, who is a product of the club's successful youth side, which is in the FA Youth Trophy semi-finals for the second successive season.

Top scorers Adrian Heath and Kevin Sheedy are absent with ankle injuries, the former Burnley midfielder Trevor Steven also travelling.

Roberts out for season

Alan Roberts, the Middlesbrough midfield player, will be out for the rest of the season. Roberts, aged 19, who was in line for a recall to the first team for the derby match against Newcastle United at St James' Park on Saturday, has broken a bone in his right foot, and his leg will be in plaster for six weeks.

● Brentford have signed the Orient full back, Bill Roffey, aged 30, on loan for the rest of the season. Roffey, who was previously with Crystal Palace, has made more than 300 senior appearances for Orient, the last of which was at Brentford on Saturday.

● Manchester City's second division match against Chelsea has been selected for live television coverage. The BBC cameras will be at Maine Road on Friday, May 4 (7.15) to complete their share of games under the new agreement.

● Wembley still have plenty of tickets left for the schoolboy international match between England and Scotland on Saturday. Prices are: seats £3.50, £3 and £2.50; standing £1.

ROWING

Boat race training winds down with Long in quarantine

By Jim Railton

The first casualty of the Boat Race crews' Tideway training is the Oxford No 2 Chris Long, who was out of the boat yesterday nursing a cold. The Oxford secretary, Lynton Richmond, was promoted to the Blue boat from Isis in the morning, and last year's stroke, John Bland, substituted in the afternoon. But Long is expected back today.

Bearing in mind last year's trauma, when half the Oxford crew were recovering from a bout of 'flu on Boat Race day, Long has sensibly been put into quarantine. He well live a leper-like existence until declared fit, and hopefully the domino effect will, this year, be kept at bay.

The crews are now about to wind down before the Boat Race on Saturday (start 1pm). With only a week's stay on the Tideway, some of the last salvos were fired over the weekend when Cambridge rowed a full course and Oxford chanced their arm against the national squad.

An early race starting time this year has been determined by an act of God – the right tide at the right time, with, perhaps, some persuasion from the BBC.

After the Boat Race crews negotiate the championship course from Putney to Mortlake on Saturday, they will confront another champion, none other than Bob Champion, who will present the Ladbroke Throphy. The guest for Saturday's race is Prince Hiro of Japan, whose grandfather, the Emperor, was taught to scull by W. G. "Bill" East, a British professional sculling champion. Saturday's umpire will be the former Cambridge president, Michael Sweeney.

Yesterday afternoon, Cambridge paddled over the Boat Race course in reverse, throwing in four one-minute pieces, and looked efficient. Their timing, in particular, appears to have improved beyond measure. Oxford's offering of the day was "a bridger" from Hammersmith to Putney on a slack tide. They started a length beyond Hammersmith Bridge, and on an indolent tide reached Putney escorted by Isis in 7min 20sec, 19 seconds outside Oxford's 1980 record. It was a competent piece of work.

OXFORD: *R C Clay (Eton and New College) bow; C L B Long (St Paul's and Oriel); J A G H Stewart (Harrow and Pembroke); D M Rose (Queensland University and Balliol); *W M Evans (Queen's University, Canada, and University); *G R D Jones (Sydeny University and New College); *W J Lang (Wallingford and Magdalen); *J M Evans (Princetown and University) stroke; S Lesser (Princetown and Magdalen), Cox.

CAMBRIDGE: A Reynolds (Imperial College and Pembroke), bow; *A R Knight (Hampton and Clare); G A D Barnard (Lakefield CS Canada, and Robinson); *S W Berger (Dartmouth College, US and Trinity); *J L Garrett (Schrewsbury, and St John's); J Pritchard (St Clement Dane's and Robinson); *E M D Pearson (King's, Canterbury, and Jesus); J D Kinsella (Bedford Modern and St Catherine's), stroke; P Hobson (Belleview, Bradford, and Chrisf's), cox.

*A Blue

Todays outings: From Putney: Oxford: 8am and 3pm; Cambridge 9.15am (no afternoon outing).

BOXING



Holmes: faces Coetzee

Record pay day is lure for Holmes

New York (AFP) – The World Boxing Association (WBA) heavyweight champion Gerrie Coetzee, of South Africa, will meet the former World Boxing Council (WBC) champion, Larry Holmes, in June.

Last year Holmes, who is unbeaten, relinquished the WBC title he had held since 1978 when he was ordered to go through with a title bout against another American Greg Page. Holmes said the $2.5m (about £1.75m) purse was not enough.

He was, however, immediately named world champion by a newly-formed rival boxing organization, the International Boxing Federation (IBF), when he gave up his WBC title. The scheduled bout will therefore unify the (WBC) and (IBF) titles.

Holmes will earn an estimated $8m this time and Coetzee's reward should be at least $3m. The promoters hope that the television rights – the bout will be shown on cable television in about 60 countries – will help to break the world record receipts of $28m made by the 1982 fight between Holmes and GerryCooney.

Mike Cohen, spokesman for the organizers, said the bout would take place on June 1 or 8 and the venue would probably be Las Vegas. A company called JPS sports is acting as promoter, in association with Coetzee's United States agent, Cedric Kushner.

Coetzee, aged 28, has won 28 fights, 18 inside the distance. But he has been beaten three times and has also boxed one draw. He won the title by knocking out Michael Dokes, of the United States, in the tenth round in Richfield, Ohio, last September.

Holmes, aged 34, is unbeaten in 45 contests. He has won 32 inside the distance.

The vacant WBC title was won by Tim Witherspoon, of the United States, in Las Vegas last Friday night. He outpointed Greg Page, the man whom Holmes had refused to meet, over 12 rounds.

RUGBY LEAGUE

York's joy is muted

By Keith Macklin

The shock team and rank outsiders for the Challenge Cup, York, have been drawn to meet Wigan in the first semi-final of the competition, which is sponsored by State Express, on Saturday, March 24. It is probably the draw York would have wished for, since Wigan seem the most vulnerable of the remaining first division sides.

However, a cloud is cast over York's joy by the news that their coach, Phil Lowe, has been taken to hospital with a fractured pelvis after a car accident. Unless Lowe proves remakably resilient, he may have to miss the most important game York have played for more than half a century. York last reached the semi-finals in 1931. They went on to contest the final, only to be beaten by Halifax.

SEMI-FINAL DRAW
York v Wigan (at Elland Road, Leeds, March 24)
Leeds or Bradford Northern v Widnes (at Swinton, March 31)

Wigan will have mixed feelings about the draw. Obviously all the first division clubs wanted York in the semi-finals, but after the upsets against Wakefield Trinity and Castleford, the Minster men are in tremendous heart and spirit, and will play above themselves once again. Wigan's form this season has been inconsistent, and the corner has only been turned since the Australian, Cannon, found form at stand-off half.

In the other seim-final, the favourites, Widnes, who will be competing in their eighth semi-final in 10 seasons, meet the winners of the Bradford Northern v Leeds replay tommorrow. This semi-final will take place on Saturday, March 31.

In what is obviously the better tie, Widnes will be well matched against either of the powerful Yorkshire sides. Widnes were in brilliant form against Hull Kingston Rovers, but Leeds have now gone 16 games without defeat. Bradford Northern showed their resilience by leading Leeds last Sunday until the last seconds of the game.

The semi-final games will be played at Elland Road football ground on March 24 and Swindon on March 31.

GOLF

Old heads go into the lead

By John Hennessy

Two experienced heads showed the way on the opening day of the Avia women's foursomes golf tournament at The Berkshire yesterday. They belonged to Belle Robertson (Scotland) and Mary McKenna (Ireland), who matched the card of 73 for the Blue course. They gained a lead of one stroke over the Welsh sisters, Vickie Thomas and Mandy Rawlings, with a gaggle of distinguished names in joint third place, three strokes further back. They included the holders, Jill Thornhill, the British amateur champion, and her Surrey partner, Jill Nicolson, once of Scotland.

The course was in superb condition and, according to Mrs Robertson, "the ball did what it was told." Only twice did she and Miss McKenna deviate from par, with a three at the 312-yard second, and a four at the 134 yard 13th. Miss McKenna was principally responsible on both occasions, first with a wedge floated to 10 feet and then with a wayward four iron that missed the 13th green.

Mandy Rawlings was handicapped by an inch-long needle in her right heel, after a battle with a knitting machine. She walked with a hobble, but her swing seemed unimpaired, and she led the way to two of the three Welsh birdies. A share of the lead was in their grasp at the 18th, but Mrs Thomas missed the fairway, Miss Rawlings found a bunker, and the hobble suddenly deteriorated.

Of those on 77, Laura Davies and Sarah Duhig paid an unkind penalty for Miss Davies' extraordinary power, as yet not completely in harness. She lost a ball at the 16th with a tee shot off line, and her drive to the vulnerable 223-yard 10th found a tree trunk and cost two more strokes.

The holders began uncertainly, with three shots dropped over the first four holes, but birdies at the next two holes, foundered on Mrs Nicholson's wedge, and Mrs Thornhill's putter, brought them back more or less on even keel.

FIRST ROUND: 73: M McKenna and I C Robertson; 74: V Thomas and M Rawlings; 77: W Aitken and C Hourihane; 79: A Davies and L Mackeson-Sandbach; 80: J Walter and C Bailey, W Wooldridge and S Prosser; D Bailey and H Kaye; P Grice and J Brown.

CYCLING

Kelly (left) and Roche, compatriots and former champions

Irishmen have High Noon encounter in Nice sun

From John Wilcockson, Mandelieu-la-Napoule

If Agatha Christie had scripted the 34th Paris-Nice race, she could not have created as suspenseful an ending. Only two candidates remain to make the final killing on the Grand Corniche climb this afternoon. They are both Irish: Sean Kelly, the winner for the past two years, and Stephen Roche, the 1981 victor.

They are separated by only 11 seconds after a dramatic stage yesterday in the hills of Provence. When this sixth stage from La Seyne entered its last 20 miles, a group of 60 riders had formed at the front to begin the deceptively long climb to the Grand Duc peak, 1,600 feet above the Mediterranean, which really was blue yesterday.

Kelly was taking no chances on this three-part ascent. He rode resolutely behind Eric Garitoux, his fast-moving French team-mate, the winner last Sunday on Mont Ventoux, to prevent any surprise attacks by either Roche, or Bernard Hinault, the third man of the leading triumvirate. Kelly wanted to win a ten-second time bonus at Tanneron village, at the top of the second climb. He did so, to increase his overall lead on his compatriot to 42 seconds, with Hinault another five second behind.

Just after the village, a sharp left hairpin turn, with a one-in-six gradient, was the spot chosen by Roche to make his first real attack of the race. For a moment, the chase was taken up by Robert Millar, of Scotland, who explained: "I waved Kelly to come through, but he shook his head, so I sat up, and Stephen was away."

Roche rode the last eight miles alone to win the stage by 23 seconds from a group of five, in which Hinault pipped Kelly for second place with Phil Anderson, the Australian, fourth. It was a superb finish and opens the way for a dramatic finale today.

SIXTH STAGE: (La Seyne to Mandelieu, 112 miles): 1, S Roche (Ire), 5hr 6min 49sec; 2, B Hinault (Fr), 5:07:12; 3, S Kelly (Ire); 4, P Anderson (Aus); 5, S Rooks (Neth); 6, M Laurent (Fr), all same time; 7, F Vichot (Fr), 5.07.25; 8, C Criquielion (Bel), 5:07:25. Other placings: 16, R Millar (GB), 5:07:33; 51, G Jones (GB), 5:11:58. Did not finish J Herety (GB), S Yates (GB); A Peiper (Aus).
Overall: 1, Kelly 20hrs 47mins 22 secs; 2, Roche, 11sec behind; 3, Hinault, 43sec; 5, Anderson, 1:37; 6, Millar, 2:26.

CRICKET

Ritchie and Jones miss international

Port of Spain – Australia who are one down in the four-match one-day series with the West Indies, have run into fitness problems in the build-up to the second one-day international at the Queen's Park Oval.

Dean Jones, who was called into the tour party because of an injury to Graham Yallop, is out of action. He has been receiving treatment for haemorrhoids. In the first one-day international which the West Indies won by eight wickets, Jones made 43 not out off as many balls and was mainly instrumental in raising Australia's scoring rate to over six runs an over in the final ten overs of their innings. Jones could also have provided a few overs of medium pace bowling in an emergency.

Greg Ritchie, the touring team's most consistent run-maker so far, developed a fever yesterday during the last day of the drawn match against Trinidad and Tobago, to add to their troubles.

The Australians were outplayed in the first one-day international because they did not make a big enough score after batting first, despite having five wickets in hand when the innings closed.

Australia will be without Carl Rackemann again. He has not played since the first one-day international a fortnight ago.

He is expected to be replaced against the West Indies by John Maguire, who took six wickets in the match against Trinida.

The West Indies captain Clive Lloyd returns. As the fast bowler Malcolm Marshall is also back in the side the West Indies will be strengthend in both batting and bowling. Both of them missed the first one-day international.

WEST INDIES: C H Lloyd (captain), C G Greenidge, D L Haynes, R B Richardson, I V A Richards, P J Dujon, H A Gomes, M D Marshall, J Garner, W W Daniel, M A Small. Twelfth man, A L Logie.
AUSTRALIA: (from): K J Hughes (captain), S B Smith, K C Wessels, G M Ritchie, A R Border, D W Hookes, W B Phillips, D M Jones, T G Hogan, G F Lawson, R M Hogg, J N Maguire, T M Alderman.

Australian farce which did not run and run

Pointe-a-Pierre (Agencies) – The Australians' captain, Kim Hughes, made a farce out of the match against Trinidad and Tobago which ended in a draw here on Monday. Apparently as a protest against the home side, he refused to take runs and made no effort to attack the occasional bowlers used against him.

Just before tea, when Trinidad and Tobago were 170 for eight in their second innings, only 136 in the lead, the Australians had appeared to be in a position to win. But they were denied by a lively ninth-wicket stand of 50 in 32 minutes between the Trinidad and Tobago captain, Nanan, who finished 40 not out, and Joseph, who scored 26.

Trinidad and Tobago were eventually all out for 222 in their second innings, which left the Australians the almost impossible task of scoring 189 to win in a quarter of an hour plus the final mandatory 20 overs.

Hughes promoted himself to open the batting with the all-rounder, Matthews, but it was quickly obvious that this was not an attempt to push for victory: it was quite the opposite.

Hughes patted long hops and half-volleys and refused to take runs for strokes hit into the outfield. He batted for 54 minutes before scoring – then he hit Gabriel for six.

Matthews, caught behind off Rajah when the score was 26, at one stage took off his gloves to adjust his shirt while the bowler was in action and, at the other end, Phillips sat on the ground. During the final over, Phillips took his pads off.

Hughes had had the option to call the match off after half an hour's play in the final period, but insisted on continuing despite protests from Nanan. He told the Trinidad and Tobago captain that he had played the match "without imagination". Later, the Australians' captain said his team would have gone for the runs if there had been another 20 minutes available.

Hughes, protest

TRINIDAD AND TOBAGO: First Innings 336 (A Rajah 100, C Rampersad 61)

Second Innings

R S Gabriel c Matthews b Maguire	10
P V Simmons c Hogg b Maguire	42
H A Gomes c Woolley b Alderman	8
A L Logie c Alderman b Matthews	13
A Rajah c Phillips b Hogan	38
P Moosai c Alderman b Hogan	20
*R Nanan not out	40
†C Rampersad c Phillips b Matthews	10
A Gray b Hogan	1
H Joseph l-b-w Hogan	26
D St Hilaire run out	11
Extras (b 4, l-b 6, w 1)	11
Total	222

FALL OF WICKETS: 1–36, 2–55, 3–65, 4–82, 5–123, 6–145, 7–163, 8–170, 9–220.
BOWLING: Alderman 18–4–29–1, Maguire 16–5–46–2, Hogan 19.1–3–74–3, Matthews 19–3–63–2.

AUSTRALIANS: First Innings 370 (K C Wessels 89, K J Hughes 73)

Second Innings

*K J Hughes not out	10
G R J Matthews c Simmonds b Rajah	26
W B Phillips not out	12
Extras (w-3, n-b 5)	8
Total (1 wkt)	56

FALL OF WICKETS: 1–28.
BOWLING: Gray 2-0-2-0, St Hilaire 2-0-7-0, Nanan 2-1-13-0, Rajah 4-3-10-1, Moosai 3-2-4-0, Ramperad 5-4-5-0, Gabriel 3-2-6-0, Joseph 2-0-9-0.

● Jason Robinson, a former English Schools wicketkeeper, who has been playing in South Africa during the winter, has joined Warwickshire for the 1984 season. Warwickshire already have two senior wicket-keepers, Geoff Humpage and Geoff Tedstone.

MOTOR RACING

Monaco Grand Prix status in jeopardy

Estoril (AP) – The Monaco Grand Prix, one of the oldest events in the world championship calendar, may lose its championship status.

The international motor sport federation (FISA) announced after a meeting here yesterday that the Monaco organizing committee's decision to sell the television rights of the race to the United States ABC Television network is in breach of the 1981 agreement between FISA, the race organizers and the Formula One Constructors Association (FOCA), by which (FOCA) was granted exclusive management of the rights.

FISA say they will fine the Monaco organizing committee the equivalent of its 1983 television income from ABC, or withdraw the race – due to be held on June 3 – from the championship. Furthermore, FISA say, in future the race will not automatically be admitted to the championship but will have to apply for readmission once the television issue is settled.

Monaco Automobile Club officials would not reveal how much the ABC contract, which runs until 1987 with an option to 1991, is worth to them.

Lotus adds to French links

The British JPS Lotus Formula One team is to be sponsored by Elf Oil, so adding to the Norfolk-based team's links with France.

The new Lotus car, which will be driven by Nigel Mansell and Elio de Angelis, has been developed by the French engineer, Gerard Ducarouge. It is powered by a Renault 1.5 litre turbo-charged engine and will now run on French petrol from Elf, who also sponsor the Renault team.

In order to supply the Lotus, Renault and French Ligier teams in the forthcoming Brazilian grand prix with petrol, the company is having to airfeight nearly 1,200 gallons – about four tons.

IN BRIEF

Stiff European hurdle for Miss Troke

Helen Troke's route to the European badminton title, for which she is top seeded at Preston next month, may require her to win a semi-final against the England No2 Karen Beckman, to whom she lost in the German Open championships recently (Richard Eaton writes).

CYCLING: Marc Madiot, of France, won the 195km fifth stage to the Tirreno-Adriatico race from Camerona to Monteprandone in Southern Italy, yesterday. Madiot, a member of the powerful Renault team, won a sprint finish after world road racing champion Greg Lemond had attacked during the stage's final section. Tommi Prim, of Sweden, had no difficulty retaining the overall lead.

FOR THE RECORD

TENNIS

ROTTERDAM: Grand Prix Tournament: First round (US unless stated): G Mayer by M Tideman (Swe), 6-1, 6-1; B Gottfried by R Tanner, 7-5, 6-2; S Edberg (Swe) bt C Hopper, 6-7, 6-1, 6-4; E Teltscher bt V Gerulaitis, 6-3, 7-5.

METZ: Grand prix tournament: First round: B Drewett bt B Walts (US), 6-3, 6-3; E Korita (US) bt H D Beutel (W G), 7-6, 6-2; L Pimek (Cz) bt W Masur (Aus), 7-6, 6-4; R Stadler (Switz) bt M Mecir (Cz), 6-4, 6-3; R Krishnan (Ind) bt T Mayotte (US), 6-1, 6-2; T Tulasne (Fr) bt T Benhabiles (Fr), 6-3, 6-3; F Segarceanu (Rom) bt E Fromm (US), 0-6, 6-2, 7-5.

ICE HOCKEY

NATIONAL LEAGUE: Winnipeg Jets 8, Toronto Maple Leafs 7; Minnesota North Stars 7, Montreal Canadiens 6.

SNOOKER

YORK: Professional league: D Mountjoy by W Werbeniuk (Can), 7-3.

RACKETS

BASINGSTOKE: World Cup, quarter final: P Kenyon (GB) bt Maqsood Ahmed (Pak), 13-8, 11-13, 13-7, 13-4; M Le Moignan (GB) bt S Cogswell (GB), 13-5, 13-8, 13-8. Kenyon and Le Moignan won 6-1

CYCLING

MONTEPRANDONE: Two Seas race: Fifth stage (211km): 1, M Madiot (Fr), 5hr 34min 40sec; 2, J Magro (Sp); 3, M Beccia (It), same time; 4, G LeMond (US), 5:34:46; 5, G Van Claster (Bel); 6, S Mutter (Switz), same time. Overall: 1, T Prim (Swe).

HOCKEY

HA council to debate levy

The council of the Hockey Association, at their meeting in London on Friday, will consider a proposal of a £1 levy per head to help the England team to train for the 1986 World Cup tournament in London (Sydney Friskin writes). The council's decision will be put to the annual general meeting which follows later in the day.

The management committee decided not to put forward a club affiliation fee in excess of £50 per team, which approximates to the existing basic fee of £45 plus 10 per cent. But they also stressed that the overall effect would be a deficit for 1984-85 of just over £21,000 based on the draft budget.

The draw, for the senior divisional tournament to be held on April 7 and 8, at Seaford College, Sussex, has been announced.

DRAW: Group A: South, North, Midlands. Group B: Combined Services, East, West.

SNOW REPORTS

	Depth (cm) L	Depth (cm) U	Conditions Piste	Conditions Off Piste	Runs to resort	Weather (5 pm)	°C
Avoriaz	180	280	Good	Varied	Good	Fine	2
Hard patches south slopes							
Arosa	120	170	Good	Varied	Good	Fine	4
Excellent snow conditions							
Courmayeur	120	270	Good	Varied	Good	Fine	–4
Very light covering powder							
Grindelwald	30	110	Good	Fair	Good	Fine	0
Worn patches on lower slopes							
Klosters	90	180	Good	Spring	Good	Sun	–
Good skiing on north facing slopes							
La Plagne	150	315	Good	Vaied	Good	Fine	6
Icy and worn patches in places							
Leysin	100	240	Good	Spring	Fair	Fine	–
Pistes hard but good							
Mürren	90	210	Good	Varied	Good	Fine	1
Slush on some lower slopes							
St Anton	85	270	Good	Varied	Good	Fine	–2
Powder on upper north facing slopes							
Seefeld	70	120	Good	Varied	Good	Fine	–5
Becoming soft in afternoon							
Soldeu	55	155	Good	Varied	Good	Snow	2
Good skiing all runs							
Tignes	170	250	Good	Heavy	Fair	Fine	0
Worn patches on lower slopes							
Verbier	50	200	Icy	Varied	Good	Fine	5
Good skiing off piste							

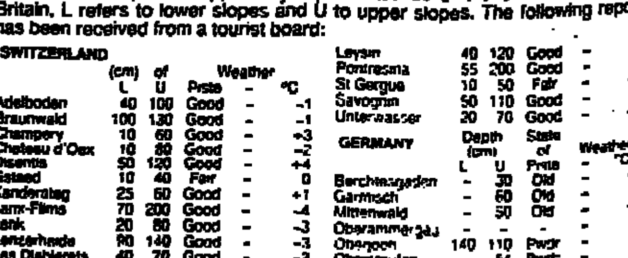
In the above reports, supplied by representatives of the Ski Club of Great Britain, L refers to lower slopes and U to upper slopes. The following report has been received from a tourist board:

SWITZERLAND

	(cm) L	of U	Piste	Weather	°C
Adelboden	40	100	Good	–	–1
Braunwald	100	130	Good	–	–1
Champery	10	60	Good	–	+3
Chateau d'Oex	10	80	Good	–	–2
Disentis	50	120	Good	–	+4
Gstaad	10	40	Fair	–	0
Kandersteg	25	60	Good	–	+1
Lenk-Flims	70	200	Good	–	–4
Lenk	20	80	Good	–	–3
Lenzerheide	90	140	Good	–	–3
Les Diablerets	40	70	Good	–	–2
Leysin	40	120	Good	–	–4
Pontresina	55	200	Good	–	+3
St Gergue	10	50	Fair	–	+1
Savognin	50	110	Good	–	0
Unterwasser	20	70	Good	–	+2

GERMANY

	Depth (cm) L	Depth (cm) U	State of Piste	Weather	°C
Berchtesgaden	–	30	Old	–	–3
Garmisch	–	60	Old	–	10
Mittenwald	–	50	Old	–	–3
Oberammergau	–	–	–	–	
Oberjoch	140	110	Pwdr	–	–5
Oberstaufen	–	54	Pwdr	–	–8



هكذا من الأصل

RACING: IRELAND'S DOUBLE CELEBRATION ON FIRST DAY OF THE NATIONAL HUNT FESTIVAL

Dawn Run is queen of Cheltenham

By Michael Seely

The 65-year-old Charmian Hill was thrown high in the air by delirious band of Irish supporters after Dawn Run had given John O'Neill his second triumph in the Waterford Crystal Champion Hurdle at Cheltenham yesterday.

The gatemen were powerless as the fans engulfed the winning connections. But no one minded, least of all the airborne grandmother of nine as she happily waved a bouquet of roses at her admirers. "Don't they love it all," said Miles Gosling, the racecourse chairman. "This is their hour, and you can't blame them. And if I win the Champion Hurdle at her age, I'll go up in a ballon."

O'Neill's much vaunted secret tactics turned out to be quite simple. The 5-4 on favourite was never out of the first two. In fact, the front running desert Orchid was only allowed to lead for two hurdles at halfway before dripping back, beaten. "You don't tell Dawn Run what to do," said the former champion jockey. "You've got to let her do her own thing. Don't forget she's a lady."

Buck House became the new challenger and the pair nearly collided at the second hurdle form home. But racing to the final flight Peter Scudamore, and Cima, launched their attack. The gallant mare then showed her mettle. Despite hanging badly to the right on the run-in, she stayed on to beat Cima by threequarters of a length with Very Promising four lengths away, third. Buck House finished fourth and Fine Sun finished last. "There certainly looks to be grounds for a stewards' inquiry," said Scudamore afterwards. "Dawn Run seemed to come across me but I didn't want to object as it was the Champion Hurdle."

O'Neill had ridden a superb race and once again his judgment of pace had been immaculate. "I was naturally a bit worried when Cima came at me. But she's so game and always pulls out more." O'Neill was giving John Francome a hard fight for the jockeys' championship before several falls vitually put paid to his chances. "This has more than made up for it" he said. "I was going great guns until I had some bad falls after Christmas. I had to have an operation because my eye was pressing onto my cheekbone. But I've no complaints. It's the ups and downs of racing and the way the game goes."

Mrs Hill rode Dawn Run to the mare's first victory on the flat at Tralee in 1982, at the age of 63, but was then grounded by the authorities as likely to prove a danger to herself. The Waterford doctor's wife now plans to send her heroine over fences next season. "I don't know where she's going to next, but she could go to Liverpool if she gets over this race quickly enough. But Dawn Run's a natural jumper and fences seem the logical answer."

O'Neill's comment was quick and to the point. "I don't care where she goes as long as I'm allowed to ride her."

Not for nothing is Paddy Mullins known as the quiet man of Irish racing. Dawn Run's trainer vanished into thin air after the race and was seen no more. However, the bookmakers certainly knew to their cost that Mullins had struck a might blow. Dawn Run was laid to lose £100,000 with William Hill's in the morning, and it was estimated that her victory had relieved the course bookmakers of a similar amount.

Mercy Rimell, the trainer of Gaye Brief was an interested spectator after finishing third with Very Promising. "I was delighted with that. Very Promising needs two and a half miles and will take on Dawn Run at Aintree. From the way he ran, I have no doubt that Gaye Brief would have repeated last year's victory but for his accident."

There is no doubt that the new 5-lb weight allowance, which is claimed by mares, helped Dawn Run to become only the second of her sex to capture the hurdler's crown.

Michael Dickinson, the champion trainer with the low-key approach to the National Hunt festival, opened the proceedings on an authoritative note when Dermot Browne and Browne's Gazette swept home ten lengths clear of Keelby Kavalier in the Waterford Crystal Supreme Novices' Hurdle. Townley Stone, the 100-30 favourite, was under pressure after jumping the second last and could only finish third.

The theory of following men who make a habit of striking at the festival again held good when Jim Wilson rode Broomy Bank to a four-length win over Honourable Man in the Kim Muir Challenge Cup.

This outstanding amateur's seven victories at the National Hunt meeting have included a Cheltenham Gold Cup on Little Owl and three Joe Coral Golden Hurdle finals on Willie Wumpkins. "Jim's other three wins have been for me", said John Edwards, the successful trainer. "I have been training Broomy Bank for the National all season and that will be his next race.

The final race of the afternoon resulted in a double for O'Neill and Mossy Moore in the Cheltenham Grand Annual Steeplechase. This victory gave Bristol trainer Brian Chinn his first win with his first runner at the meeting. "I hope to make it a double tomorrow as I've backed Applejo to win me £25,000 in the Coral Hurdle

Finally, those who fancy Forgive N' Forget for this afternoon's Sun Alliance Chase, should take heart from the confidence of Jimmy Fitzgerald. "I fancy him to reverse the Ascot placings with Duke of Milan. Forgive N' Forget was very sore after that race. And remember, this is another time and another place", said the trainer quietly in his Cotswold hotel early yesterday morning.



Locked together: Bobsline (left) and Noddy's Ryde provide a stirring finish to the Arkle Trophy (Photograph: Ian Stewart).

Bobsline masters Noddy's Ryde in memorable duel

By John Karter

It is daunting enough for the English when the Irish have any sort of winner at Cheltenham. But when, as happened yesterday with Bobsline in the Arkle Trophy, that winner is the long-time Irish banker bet at the meeting you wonder whether it is prudent to be heard with an English accent as you become slowly submerged by the relentless tide of whooping, fist-waving visitors.

It is all godd-natured stuff, though. Many Irishmen slave and save for the entire year with just one aim – to pile the lot on their crack horses at the Festival – so who can begrudge them their unfettered festivity, especially when they have been yelling the name of Bobsline at us virtually the entire season.

Francis Flood and Frank Berry will be remembered best for their Gold Cup victory with Glencaraig Lady in 1972 and after yesterday's stirring victory many of their countrymen will no doubt see them as suitable candidates for canonization.

Indeed, Flood's demeanour and sober dress are more evocative of a priest than a racehouse trainer and, like Paddy Mullins, he is that comparative rareity – a reticent Irishman.

What Flood did convey to us in his soft lilting tones, after one of the most exciting races seen at the Festival for some time, was that bobsline was easily the best horse to have passed through his hands since his great mare. And even he could not conceal the smile in those Irish eyes when he said he was looking forward to running Bobsline in next year's Queen Mother Champion Chase at the Festival.

It was not all as smooth as that black liquid that the Irish drink by the tanker-load, however. When Noddy's Ryde, the main hope of England, stretched his pursuers doen the final hill, Bobsline was the first of his immediate challengers to come under pressure. At that point Voice of Progress, who had moved up sweetly on the heels of the leader, looked likely to give David Nicholson his first Festival winner.

However, Bobsline, whose jumping had been immaculate apart from one early error, responded unflinchingly to Berry's urgings and the seven-times Irish champion drove him past Noddy's Ryde, who battled right to the line, for a clear-cut victory.

If Flood is one of the more anonymous figures at the Festival, then Mercy Rimell, as sartorially resplendent as ever in voluminous mink coat and matching accessories, is surely one of the more subtly colourful ones.

Often described unfairly as the iron lady of National Hunt racing, she was wearing a smile as broad as her beret when Gaye Chance held the challenge of the exasperating Goldspun in the Waterford Crystal Stayers' Hurdle and thus provied her with highly acceptable compensation for the enforced defection of his full brother, Gaye Brief, from the Champion Hurdle.

Nicholson must really have thought he had ended his extraordinary Festival jinx when Peter Scudamore used the kid-glove treatment to perfection to persuade the reluctant Goldspun to come with what looked like a certain winning run to challenge Gaye Chance after the last hurdle. However, Goldspun yet again had flattered to deceive and Gaye Chance's courage was decisive.

The winner never quite made it over fences, having apparently become frightened by an incident over the course last season. Still, as Mrs Rimell said, why settle for a second-class chaser when you can have the best staying hurdler in the land?

● Colin Magnier, the Irish amateur rider, must pass an official fitness test before being allowed to ride Straight Air (2.15) and Red Shah (4.40) at Cheltenham today. Magnier's right shoulder was stiff after his fall on Gay's Delight in the Waterford Supreme Novices' Hurdle.

Badsworth Boy to give encore

By Michael Phillips, Racing Correspondent

Badsworth Boy can confirm that he is still the best steeplechaser in the country over two miles by winning the Queen Mother Champion Steeplechase for the second time at Cheltenham today. Twelve months ago he put up one of the best performances of the season when he beat Artifice by a distance.

Artifice is in the field again today but his training this season has gone anything but according to plan after that heavy fall on the flat at Sandown in the autumn. However, Badsworth Boy should be at his peak after successive victories at Wetherby, Haydock and Ayr.

Michael Dickinson, Badsworth Boy's trainer, has had a much more worrying time getting Rathgorman, who won today's feature race two seasons ago, right. At his best, Rathgorman would be the one most likely to give Badsworth Boy's supporters cause for anxiety, but on the form of the last two seasons it is illogical to oppose the stable's first string, who was giving Little Bay 12lb when he beat him by four lengths at Wetherby on Boxing Day.

Mister Donut could be a second winner of the day for Dickinson in the National Hunt Chase Challenge Cup for amateurs. There is no more capable rider in this field than Mister Donut's partner, Dermot Browne.

A year ago, Jimmy Fitzgerald, the popular Yorkshire-based trainer, enjoyed the touch of a lifetime when he saddled Forgive N' Forget and Canny Danny to win the Coral Golden Hurdle Final and the Sun Alliance Steeplechase respectively. Now, he has more than a sporting chance of winning the Sun Alliance Steeplechase again, this time with Forgive N' Forget who has successfully made the switch from hurdling to steeplechasing.

I was impressed with the way that Forgive N' Forget won his last race at Haydock over two miles and a half, and he is likely to be even more effective over this longer distance as he proved a year ago when he came up the hill in such grand style.

Fitzgerald, who remains adamant that Frogive N' Forget was not at his best when he was beaten by both Duke of Milan and Bally-Go at Ascot in February, has been fortunate to get a deputy as able as John Francome for his stable jockey, Mark Dwyer, who was injured when Canny Danny was brought down at Haydock.

While Duke of Milan's approach to steeplechasing is totally admriable, there must be a doubt about him being able to lead all the way at Cheltenham which is not a front-runner's course and, in this instance, the Irish challenger, Harveystown, looks a bigger danger. The going may not be soft enough for a Kinsman, but it will be ideal for Lettoch, who looks a sporting bet to finish in the first three.

Bajan Sunshine, my selection for the Sun Allinace Novices' Hurdle, has a bit to find on paper if he is to beat the likes of Brown Trix, Straight Air, Street Angel, and Contester. Yet, there was so much to like about the way the last year's Cesarewitch winner flew in at Newbury recently that I am totally unrepentant about selecting him at this level. Furthermore, with only two races under his belt, Bajan Sunshine will be fresher than most, and that can be an important factor at this stage of the season.

With a field of 32, the Coral Golden Hurdle Final is surely as open as ever. I am hopeful that the winner will come from Mossmorran, Road to Manderlay, Manta, and Artic Menelek with victory ultimately going to Mossmorran who won over today's course and distance at the beginning of the year before running so well against Mayotte at Ascot. Finally, Donegal Prince does not look badly treated in the Mildmay of Fleet Challenge Cup with only 10st 6lb now that he has proved conclusively that he has taken to jumping fences.

CHELTENHAM PROGRAMME (BBC)

[Televised: BBC1: 2.15, 2.50, 3.30. BBC2: 4.5] Tote Double: 3.30, 4.40. Treble: 2.50, 4.5, 5.15

GOING: Good

2.15 'SUN ALLIANCE' NOVICE HURDLE (Grade I: £18,394: 2m 4f) (30 runners)

101 0-11308 ANIECE (D) (G Hubbard) R Champion 6-11-7 ... J J O'Neill
102 000 ARDOONY (N Connor) R Hollinshead 8-11-7 ... F Berry
103 11 BAJAN SUNSHINE (P Green) M Tate 5-11-7 ... P Scudamore
105 21103 BOB TISDALL (Mrs N O'Meara) W Harney (Ire) 5-11-7 ... Mr P J Finn
106 131 BROWN TRIX (D) (C Cronin) F Winter 6-11-7 ... J Francome
107 301 CAMP DUNPHY (G Hubbard) J Gifford 6-11-7 ... P Double
108 111110 CATCH PHRASE (C) (K Carr) J Gifford 6-11-7 ... R Rowe
109 21 CENTROLINE (A Bingley) C A Bell 6-11-7 ... J H Davies
110 120421 DESTINY BAY (G Johnson) N Henderson 5-11-7 ... Mr J White
111 032023 FALKLAND HERO (C Slack) J Webber 5-11-7 ... A Webber
112 0 FIRM EVALUATION (S Stefanou) M Pipe 5-11-7 ... K Mooney
114 3-00041 FURZEN HILL (Ld Vestey) J King 5-11-7 ... Steve Knight
115 12100 GLEN ROAD (C) (White Bros Taunton) J Thorne 6-11-7 ... P Dever
116 f4110 GOOSEY GANDER (D) (R Graham) G Lockerbie 5-11-7 ... C Hawkins
119 041404 KNOCK CROSS (Mrs M Rogers) D Nicholson 6-11-7 ... N Madden
120 040000 KRYPTON (V Burke) J Wilson 6-11-7 ... Mrs G Rees
121 04000 MAWAL (B) (J Ratcliffe) W Guest 7-11-7 ... C Brown
122 0 MIDSUMMER SPECIAL (L Palmer) C Mackenzie 6-11-7 ... M Bastard
123 001121 MISTER LORD (D) (S Tindall) S Mellor 5-11-7 ... M Perrett
124 REGAL PLEASURE (Mrs M O'Toole) M O'Toole (Ire) 6-11-7 ... T Carmody
126 00430 SIGN AGAIN (R Wright) J Fox 6-11-7 ... S Jobar
127 1-13121 STRAIGHT AIR (D) (J O'Malley) M Cunningham (Ire) 6-11-7 ... Mr C Magnier
128 3-0113 STRATH LEADER (Mrs C Fairbairn) J Edwards 6-11-7 ... P Warner
129 114330 STREET ANGEL (O Freaney) P Mullins (Ire) 6-11-7 ... A Mullins
130 310 TALL TALE (Mrs L Dresner) J Webber 6-11-7 ... G McCourt
131 2-041 THE NEXT NIGHT (D) (A F Budge Ltd) J FitzGerald 6-11-7 ... R O'Leary
132 012310 THE PAWN (D) (Miss C Coyne) M Ryan 5-11-7 ... A Coogan
133 232003 WONDER WOOD (D Robinson) R Holder 5-11-7 ... P Richards
135 4142 CONTESTER (P Winfield) P Cundell 4-10-12 ... S Smith Eccles
136 811 FEALTY (D) (P Brookshaw) P Brookshaw 4-10-12 ... S J O'Neill

1983: Sabin du Loir 4-10-8 G Bradley (16-1) M W Dickinson 27 ran.

9-2 Bajan Sunshine, 11-2 Street Angel, 7 Straight Air, 8 Brown Trix, 10 Centroline, Mister Lord, 12 Contester, 15 Fealty, Catch Phrase, 20 Destiny Bay, 25 The Pawn, Regal Pleasure, 33 others.

FORM: Aniece (11-10) 6th beaten 29l to Navajo Brave (rec 16lb) 11 ran. Folkestone 2m 5f h'cap hdle Feb 15 good to soft. Bajan Sunshine (11-6) won 12l from Hazy Sunset (rec 7lb) 14 ran. Newbury 2m 100yd nov hdle Mar 2 good. Brown Trix (11-7) won 1½l from Contester (rec 11lb) 10 ran. Chepstow 2m 4f nov hdle Feb 18 soft. Camp Dunphy (11-4) won 1½l from Rebeg (gave 5lb) 18 ran. Folkestone 2m 5f nov hdle Feb 23 soft. Centroline (11-2) won 4l from Faithful Don (gave 1lb) 15 ran. Huntingdon 2m 200yd nov hdle Feb 21 good. Destiny Bay (11-5) won 2l from Deep In Debt (rec 12lb) 15 ran. Kempton 2m nov hdle Feb 24 good. Goosey Gander (10-3) 8th beaten 18l to Bois Rouge (rec 1lb) 18 ran. Wetherby 3m h'cap hdle Feb 29 good to soft. Knock Cross (10-12) 4th beaten 4½l to Penny Bank (level) 14 ran. Newbury 2m 100yd nov hdle Mar 2 good. Mister Lord (10-12) won ½l from Road To Mandalay (gave 9lb) 16 ran. Plumpton 2m 4f h'cap hdle Feb 28 soft. Straight Air (11-8) won 6l from Herbert United (rec 16lb) 9 ran. Punchestown 2m 4f hdle Feb 25 heavy. Strath Leader (11-0) 3rd beaten 4l to Village Draper (rec 14lb) 17 ran. Hereford 2m nov hdle Mar 3 good to soft. Street Angel (11-13) 6th beaten 7l to Manta (rec 21lb) 17 ran. Naas 2m h'cap hdle Mar 3 yielding. The Next Night (11-4) won 5l from Steel Yeoman (level) 21 ran. Doncaster 2m 4f nov hdle Feb 27 good. Wonder Wood (11-0) 3rd beaten 12½l to Bucko (level) with Catch Phrase (gave 5lb) 6th beaten 25l and The Pawn (gave 5lb) 8th beaten over 25l. 13 ran. Newbury 3m 120yd hdle Mar 3 good. Fealty (10-12) won 1l from Wojo (rec 11lb) 14 ran. Doncaster 2m 4f nov hdle Feb 27 good.
SELECTION: Street Angel.

2.50 QUEEN MOTHER CHAMPION CHASE (Grade I: £21,005: 2m) (10)

201 11-1f2 ARTIFICE (D) (P Barber) J Thorne 13-12-0 ... P Scudamore
202 1f4111 BADSWORTH BOY (CD) (D Armitage) M W Dickinson 9-12-0 ... R Earnshaw
203 330046 DRUMGORA (CD) (D Monahan) A Moore (Ire) 12-12-0 ... T J Taaffe
204 12u1u-0 FISHLEIGH GAMBLE (O Carter) O J Carter 9-12-0 ... G McCourt
205 04u112 KILKILOWEN (D) (Mrs S Collen) J Dreaper (Ire) 8-12-0 ... F Berry
206 2-13233 LITTLE BAY (CD) (B) (Mrs S Catherwood) G Richards 9-12-0 ... J J O'Neill
207 1111p0 POUNENTES (CD) (W McGhie) W W McGhie 7-12-0 ... N Doughty
208 22120-3 RATHGORMAN (CD) (J Lilley) M W Dickinson 12-12-0 ... G Bradley
209 11f-413 ROYAL RADAR (D) (R Bowden) D J Moorhead 8-12-0 ... C Grant
210 000f00 THE BROCKSHEE (CD) (T Murray) A Moore (Ire) 9-12-0 ... T V Finn

1983: Badsworth Boy 8-12-0 R Earnshaw (2-1) M W Dickinson 6 ran.

8-11 Badsworth Boy, 6 Artifice, 7 Rathgorman, 10 Kilkowen, 16 Little Bay, 25 Pounentes.

FORM: Artifice (11-7) 2nd beaten 4l to Spinning Saint (rec 16lb) 4 ran Kempton 2m h'cap chase Feb 24 good. Badsworth Boy (12-7) won 20l from Belcraig (32lb) 3 ran. Ayr 2m h'cap chase Feb good to soft. Drumgora (10-0) unplaced to Fredcoteri (gave 4lb) 18 ran. Leopardstown 2m h'cap hdle Jan 14 good to soft. Fishleigh Gamble (11-3) 7th beaten over 23l to Classified (rec 61lb) 11 ran. Newbury 2m 4f h'cap chase Mar 3 good. Kilkilowen (11-8) 2nd beaten 2l to Young Driver (rec 19lb) 12 ran. Thurles 2m 4l chase Feb 23 heavy. Little Bay (11-3) 3rd beaten 4½l to Desert Hero (rec 3lb) 5 ran. Nottingham 2m h'cap hdle Feb 18 good. Pounentes (10-8) 8th beaten over 20l to Fifty Dollars More (gave 15lb) 13 ran, Cheltenham 2m 4f h'cap chase Dec 10 good to firm. Rathgorman (11-13) 3rd beaten 20l to Iden Green (rec 27lb) 3 ran. Huntingdon 2m 100yd h'cap chase Feb 21 good. Royal Radar (11-3) 3rd beaten 16l to Bennys Boy (level) 5 ran. Sandown 2m chase Jan 7 good SELECTION: Badsworth Boy.

3.30 CORAL GOLDEN HURDLE FINAL HANDICAP (£10,250: 3m 1f) (32)

301 011-023 PAPA'S BUSKINS (D O'Duffy) Mrs M Rimell 8-11-12 ... P A Farrell 7
302 11-2020 KRISTENSON (Mrs U Fantasia) R Fisher 7-11-8 ... J Duggan 7
303 00-0112 MOSSMORRAN (C) (D Armstrong) A Scott 5-11-6 ... A Stringer
304 14-3119 FAME THE SPUR (A Hopkins) Mrs J Pitman 6-11-5 ... Mr M Pitman 7
305 010/100 MACS PARK (J Haddon) M W Dickinson 7-11-1 ... G Bradley
306 0-33133 RIGHTON BEAU (D) (Miss C Coyne) G Kindersley 7-10-13 ... A Webber
307 130002 ROAD TO MANDALAY (Dataserv Ltd) D Barons 7-10-12 ... P Scudamore
308 011020 BAZ BOMBATI (C) (B) (Mrs C Tallents) S Mellor 8-10-11 ... C Brown

4.5 'SUN ALLIANCE' CHASE (Grade I: £22,892: 3m) (19)

401 1f121 A KINSMAN (C,D) (Mrs J Brockbank) J Brockbank 8-11-4 ... T G Dun
402 00-1112 ARDENT SPY (G Taylor) R Armytage 7-11-4 ... A Webber
403 u11210 BALLINACURRA LAD (Mrs A Moynihan) J Crowley (Ire) 9-11-4 ... Pat Leach
404 p0-1123 BALLY-GO (D) (C Bell) M W Easterby 7-11-4 ... P Tuck
406 434p00 BLACK ROD (A Baxter) N Mitchell 7-11-4 ... Mr S Sherwood
408 44221f DUDIE (Mrs S McCarthy) P Mullins (Ire) 6-11-4 ... A Mullins
409 221o11 DUKE OF MILAN (D) (Counter Products Marketing) N Gaselee 7-11-4 S Smith Eccles
410 2114fp FEARLESS SEAL (D) (Sir G Glover) R Hollinshead 7-11-4 ... J J O'Neill
411 p-2d131 FORGIVE N' FORGET (T Kilroe & Sons) J FitzGerald 7-11-4 ... J Francome
412 22101f HARVEYSTOWN (D) (J O'Keeffe) R Walsh (Ire) 7-11-4 ... Mr T M Walsh
413 113131 HY-KO (CD) (Mrs M Brubaker) D Gandolfo 8-11-4 ... P Barton
414 101112 LEAN AR AGHAIDH (Mrs W Tulloch) S Mellor 7-11-4 ... M Perrett
415 0-11121 LETTOCH (J Laurie) M W Dickinson 7-11-4 ... G Bradley
416 030032 MACOLIVER (A Bingley) D R Elsworth 6-11-4 ... J H Davies
417 0-00000 MALFORD LAD (B) (R Hawker) R Hawker 8-11-4 ... M Richards
419 uf0-3fp OAK RIDGE BOY (Mrs J Simpson) Mrs J Simpson 9-11-4 ... –
420 1323f1 ROYAL FAIR (T Laverty) A Redmond (Ire) 7-11-4 ... T Morgan
424 21123b WEST TIP (D) (P Luff) M Oliver 7-11-4 ... Mr J Weston
425 211f22 STARQUOGAN (E Kearns) P Mullins (Ire) 5-10-8 ... F Berry

1983: Canny Danny 7-11-4 N Madden (33-1) J FitzGerald 14 ran.

100-30 Forgive N' Forget, 5 Lettoch, 6 Harveystown, 7 Ardent Spy, 8 A Kinsman, 12 Duke Of Milan, Ballinacurra Lad, 16 Lean Ar Aghaidh, 20 West Tip, Hy-Ko, 25 others.

FORM: A Kinsman (12-0) won from Androma (rec 21lb) with Bally-Go (rec 16lb) 3rd beaten 30l 11 ran. Newcastle 3m nov h'cap chase Feb 18 good to soft. Ardent Spy (11-7) won 4l from Lettoch (gave 6lb) 13 ran. Towcester 2m 5f 110yd nov chase Feb 14 good to soft. Duke Of Milan (11-12) won ½l from Bally-Go (rec 6lb) with Forgive N'Forget (level) 3rd beaten 2½l 5 ran. Ascot 3m nov chase Feb 8 good. Forgive N'Forget (11-0) won 2½l from The Tsarevich (gave 12lb) 6 ran. Haydock 2m 4f chase Mar 3 good. Harveystown latest fell earlier (10-6) won 1l from Young Driver (rec 13lb) 13 ran. Leopardstown 3m h'cap chase Dec 27 good. Hy-Ko (11-7) won 3l from Sea Spice (rec 14lb) with West Tip (level) 3rd beaten 7l 14 ran. Uttoxeter 3m 2f nov chase Feb 10 soft. Lettoch (11-10) won 2l from Lean Ar Aghaidh (level) 8 ran. Kempton 3m nov chase Feb 24 good. Starquogan (11-0) 2nd beaten sh.hd. to Born To Shine (gave 8lb) 9 ran. Naas 2m chase Mar 3 yielding. Ballinacurra Lad (12-0lb) 6th beaten over 30l to Master Vincents (rec 10lb) 9 ran. Fairyhouse 2m 6f nov chase Feb 11 good to soft. Royal Fair (10-1) won nk from Lantern Lodge (rec 8lb) 14 ran. Leopardstown 2m 4f h'cap chase Feb 29 good to soft.
SELECTION: Lettoch.

4.40 NATIONAL HUNT CHALLENGE CUP CHASE (Amateurs: £7,887: 4m) (18)

501 321021 BEN SPARTAN (Capt H Lochore) N Henderson 11-12-7 ... J White
502 f13100 FRENCH BOB (T Jarvis) W G M Turner 10-12-7 ... A Sharpe
503 8831f1 MACKS FRIENDLY (W Mullins) P Mullins (Ire) 7-12-7 ... W P Mullins



... good to soft. Greenways (10-8) 3rd beaten 12l to Upham Pleasure (rec 6lb) 5 ran. ... 4f h'cap chase Feb 25 fast. Blazing Wind (11-1) won 2l from Mayanmoor (gave 2lb) ... 2m 4f h'cap hdle Mar 8 yielding. ... Donegal Prince.

Cheltenham selections

By Michael Phillips

2.15 Bajan Sunshine. 2.50 Badsworth Boy. 3.30 Mossmorran. 4.5 Forgive N' Forget. 4.40 Mister Donut. 5.15 Donegal Prince.

Cheltenham results

Going: Good

2.15 WATERFORD CRYSTAL SUPREME NOVICES HURDLE (Grade I: £16,744: 2m)

BROWNE'S GAZETTE b g by London Gazette – Austrian Girl (J Poynton) 6-11-8 Mr D Browne (11-2) 1
Keelby Cavalier b h by Ardoon – Elegant Lady (Mrs J Durant) 6-11-8 P A Charlton (50-1) 2
Townley Stone b g by Legal Tender – Dream Isle (M Townley) 5-11-8 G McCourt (100-30 fav) 3

Also Ran: 5-0 Nor Prince (4th) 13-2 Poets Corner, 9-1 Gays Delight (fell), 12 Motor On (6th), 16 Cheeky Run, 20 Beachcourt Lad, Stray Shot, 25 Bob Tisdall (U/R), Herbert United (5th), 33 Far Rockaway, 50 Hillbilly, 66 Ridgefield, 100 Rhymer's Tower (P/U), Winart, Feel Right.

TOTE: Win: £5.00. Places: £1.80, £7.70, £1.80. DF: £79.00. CSF: £201.68. M Dickinson at Harewood. 10l, 3l. 18 ran.

2.50 ARKLE CHALLENGE TROPHY CHASE (GRADE I: £17,750: 2m)

BOBSLINE c h by High Line – Golden Delicious (R Kelsey) 8-11-8 F Berry (5-4 Fav) 1
Noddy's Ryde ch by Tom Noddy – Rydewell (P Hinchcliff) 7-11-8 ... N Doughty (7-4) 2
Voice of Progress b g by Matahawk – La Crima (M Vestey) 6-11-8 ... P Scudamore (6-1) 3

Also Ran: 16 The Ellier (4th), 33 Rock Saint (6th), Golden Friend (5th), 200 Wealthy, Orp Baltic (U/R).

TOTE: Win: £2.40. Places: £1.10, £1.50, £1.00. DF: £2.20. CSF: £3.35. F Flood in Ireland. 1½l, 10l. 8 ran.
NR: Drum Rullagh.

3.30 WATERFORD CRYSTAL CHAMPION HURDLE CHALLENGE TROPHY (Grade I: abt 2m Penalty Value (£36,680: 2m)

DAWN RUN b m By Deep Run – Twilight Slave (Mrs C Hill) 6-11-9 J J O'Neill (4-5 fav) 1

Another operation for Golden Fleece

Golden Fleece, the 1982 Epsom Derby winner, had a further operation for cancer last Tuesday. Tommy Stack, the former National Hunt jockey and manager of the Coolmore Stud, co Tipperary, where Golden Fleece stands, said he was hopeful that the stallion would make a full recovery.

● The adjourned inquiry into John Francome's riding of Easter Lee in the Strond Green Hurdle at Newbury last month will be held at Portman Square next Tuesday.

● Racecourse security was in tatters after the Champion Hurdle victory of Dawn Run. Hundreds of Irish racegoers gate-crashed the winners' enclosure as John O'Neill rode the Irish mare in.

● Liam Burke has his first Festival ride on Bowery Buck in tomorrow's Christies Foxhunter Chase. The gelding is owned and trained in Co Limerick by Lady Earle.

● Ron Smyth, the Epsom trainer, has booked Richard Hills to ride Rear Action in the William Hill Lincoln Handicap at Doncaster on March 24.

● Jivago de Neuvy, the French challenger for the Seagram Grand National on March 31, rejoins John Webber, the Banbury trainer, today for his final Aintree preparations.

● Delius, who went lame 12 months ago when favourite at Cheltenham, has recovered well and goes chasing next season.

● Linda Sheedy makes racing history tomorrow by becoming the first woman to ride in the Cheltenham Gold Cup. Mrs Sheedy has been booked to ride Foxbury, a 200-1 chance, for Mrs Charmian Richards, a permit holder from Herefordshire.

● Five of the six winners at Cheltenham yesterday were ridden by Irish jockeys.

OFFICIALS SCRATCHINGS: Seagram Grand National Handicap Chase Liverpool: Bueche Giorod, Laaken. Sandeman Aintree Hurdle Liverpool: Bruges. All engagements (dead): Bambers Security, Glitter Star, Middlestone King, Master Wharles.

TOMORROWS ADVANCE GOING: Hexham: soft.

Newton Abbot

GOING: good to firm

2.0 HARRY HAWK MAIDEN HURDLE (Div I: £982: 2m 150yd) (16 runners)

3 00 BONDHOUSE D Burchell 5-11-6 ... A Griffiths 4
7 GOLDCLIPPER G Doidge 5-11-6 ... Mr C Crosthwaite 4
8 PEARLROY Mrs J Fraser 5-11-6 ... J Suthern
13 FAIR GLORY D Wintle 6-11-1 ... P Christopher 7
14 00 KISRA'S DAUGHTER Miss E Sneyd 5-11-1 ... –
15 p LADY TRYPHENA T Hallett 5-11-1 ... B Wright

3.45 ALLIED HAMBRO, EXETER CHASE (Limited handicap: £3,091: 3m 2f 100yd) (10)

2 2p02 EASTER CARNIVAL K Bishop 8-11-7 ... J Frost
3 pf4p INTEGRATION E Retter 10-11-7 ... –
5 1p30 GIDDYCAN (CD) K Bishop 8-11-2 ... P Leach
7 1000 HAYBALE (B) J Spearing 10-10-9 ... R Dickin
10 14-uf CORBY WOOD D Wintle 10-10-7 ... R Hyett
11 0422 CROSA (C) J Fox 9-10-7 ... S Moore 7
14 p403 JOCKS BOND (CD) R Holder 10-10-7 ... N Coleman 7
15 1043 ROYAL NORMAN A Brisbourne 8-10-7 ... M Brisbourne
16 43/30- STOKE RIVERS (B) Mrs E Kennard 10-10-7 Mr G Edwards 4



4.55

20 0030- QUERRIN T Bulgin 10-10-1 ... J Lovejoy
21 p000 WINMARIE (B) C Hill 6-10-0 ... Phillip Hobbs
23 ffp0 GALLANT PRINCE (D) C Roach 9-10-0 ... B Wright
24 p030 DEO GRATIAS M Pipe 9-10-0 ... J Hurst 4

1983: No corresponding race.

4 Never Deemed, 5 Sammy Lux, Hill-Street-Blues, 6 Sunshine Gal, 7 Fitzherbert, 8 Corrib Lad, 10 Miners Lodge, 12 Silversmith, 14 others.

Newton Abbot selections

By Michael Phillips

2.0 Lac Royale. 2.35 Fire Drill. 3.10 Singalong Joe. 3.45 Easter Carnival. 4.20 Stars and Stripes. 4.55 Hill-Street-Blues.

Sedgefield

4.10 SOUTH DURHAM OPEN HUNT HUNTER CHASE (£781: 3m 600yd)

KING TUD b g by Keren – Tudera (J Swiers) 10-11-12 ... P Swiers (16-1) 1
Golden Lane ... R Shiels (25-1) 2
The Wrestler ... Dr G Straight (12-1) 3

TOTE: Win: £18.20. Places: £2.80, £1.90, £6.10. DF: £74.20. CSF: £311.73. J Swiers at Helperby. 25l, 20l. Zanlander 4th and Willow Burn (5-2 jt-favs). 12 ran.

4.45 DARLINGTON NOVICE HURDLE (Div II: £578: 2m 4f)

ROMAN MARINER b g by Roman Warrior –

Law Report March 14 1984

Reasons must be given for deporting EEC citizens

Regina v Secretary of State for the Home Department, Ex parte Dannenberg

Before Lord Justice Dunn, Lord Justice O'Connor and Lord Justice Parker

[Judgment delivered March 6]

A magistrates' recommendation for the deportation of a Common Market citizen was contrary to the provisions of EEC Council Directive 64/221/EEC of February 25, 1964 because the magistrates did not give their reasons and, as a result, the Home Secretary's deportation order based on the recommendation and containing no reasons was invalid

The Court of Appeal allowed an appeal by Mr Henry Knull Dannenberg from the judgment of the Divisional Court (Mr Justice McNeill and Mr Justice McCullough) who on September 29, 1983, refused his application for judicial review for orders of certiorari to remove into the High Court and quash (i) a deportation order made by the Home Secretary on June 30, 1983, against the applicant and (ii) a recommendation for the applicant's deportation made by the Haywards Heath Justices on May 19, 1983.

Mr Alan Newman for the applicant; Mr David Latham for the Home Secretary

LORD JUSTICE DUNN, delivering the reserved judgment of the court, said that the applicant was a citizen of the Federal Republic of Germany. He came to England in 1981 and in 1982 was given a resident's permit for five years.

On April 29, 1983, the applicant appeared before the Haywards Heath Justices charged with seven offences, for which he entered pleas of guilty. On May 19, 1983, the justices sentenced him and made a recommendation for his deportation pursuant to section 6(1) of the Immigration Act 1971.

He was ordered to be detained and the Home Secretary, having considered the recommendation, made the deportation order under section 5(1) of the Act. Neither the justices nor the Home Secretary gave any reasons for the recommendation or the deportation order.

Mr Latham submitted that the Court of Appeal had no jurisdiction to consider an appeal from the Divisional Court because its decision constituted a judgment of the High Court in a criminal cause or matter so that no appeal lay to the court by reason of section 18(1)(a) of the Supreme Court Act 1981.

For many years the test to be applied in deciding whether or not a judgment was given in a criminal cause or matter was thought to have been settled by the House of Lords in *Amand v Home Secretary* ([1943] AC 147).

Lord Wright said at p162: "If a cause or matter is one which, if carried to its conclusion, might result in the conviction of the person charged and in a sentence of some punishment, such as imprisonment or fine, it is a criminal cause or matter".

However, since *Amand's* case there had been a number of decisions in the Court of Appeal: *R v Southampton Justices, Ex parte Green* ([1976] QB 11); R v Sheffield Crown Court, Ex parte Brownlow ([1980] QB 530); and *R v Lambeth Metropolitan Stipendiary Magistrate, Ex parte McComb* (*The Times* November 19, 1982; [1983] QB 551).

In *McComb's* case, Sir John Donaldson, Master of the Rolls, at p563 followed *Green's* case and described the test as being "whether the order sought to be reviewed was itself criminal in the sense that it was one which could lead to a trial or punishment".

Mr Newman submitted that a recommendation for deportation could not lead to a trial or punishment, and so was not a criminal cause or matter.

Their Lordships could not accept that submission. A recommendation for deportation fell squarely within the principle enunciated by Lord Wright in *Amand's* case.

It could not be regarded as separate from the criminal proceedings as were the application to estreat the recognizance in *Green*, or the judge's order against the chief constable in *Brownlow*. And the instant case was distinguishable from *McComb* where the court was considering a declaration as to the rights and duties of the Director of Public Prosecutions, which were quite separate from the criminal proceedings themselves.

The statutory provisions to which their Lordships referred showed that a recommendation for deportation formed an integral part of the criminal proceedings in which it was made.

In those circumstances their Lordships held that the refusal of the Divisional Court to quash the recommendation was made in a criminal cause or matter, and that no appeal against that refusal lay to their Lordships.

That ruling did not affect the substance of the appeal, since the applicant was still entitled to say that the deportation order was invalid because the recommendation was made without reasons.

Article 48 of the Treaty of Rome provided that freedom of movement for workers should be secured within the Community, and should entail the right, subject to limitations justified on, *inter alia*, grounds of public policy, to stay in a member State for the purpose of employment in accordance with the provisions governing the employment of nationals of that State.

Council Directive 64/221/EEC provided for "the coordination of special measures concerning the movement and residence of foreign nationals which are justified on grounds of public policy...".

The difficulty was to reconcile the Directive provisions, which by reason of section 2 of the European Communities Act 1972 was part of the law of England, with the procedure for the deportation of aliens under the Immigration Act 1971.

The Divisional Court held that the magistrates were under no obligation to give any reasons. They relied on the judgment of the Court of Justice of the European Communities in *R v Home Secretary, Ex parte Santillo* ([1980] 2 CMLR 308).

Article 6 of the Directive provided that the person concerned should be informed by the administrative authority of the grounds of public policy upon which the decision to expel was based.

In *Ex parte Santillo* it was stated (at p331): "The person concerned should be in a position to take cognizance of the reasons which led the competent authority to give its opinion." It was impossible to say that a person was in a position to take cognizance of reasons unless he was informed of those reasons.

Their Lordships could not accept the view of the Divisional Court that in the present case the reasons were obvious from the material provided to the applicant.

A practical question arose as to the form in which courts making recommendations for the deportation of Common Market citizens should state their reasons so as to comply with the Directive.

In the crown court a copy of the transcript of the judge's sentencing remarks, including his reasons for making a recommendation for deportation, would be sufficient.

In magistrates' courts a brief statement of the reasons had always to be given on the lines suggested by Lord Justice Donaldson in *R v Secretary of State for the Home Department, Ex parte Santillo* ([1981] QB 778, 786). The statement did not need necessarily to be make in open court, but should in any event be committed in writing, no doubt on the advice of the clerk, and be signed by the magistrates. Copies of it should be sent together with the recommendation itself as soon as reasonably practicable to the Home Secretary and to the prisoner.

In the instant case the deportation order did not contain information of the grounds upon which the order was made, and was accordingly bad on its face having regard to the provisions of article 6.

Accordingly the appeal was allowed and the deportation order would be quashed.

Solicitors: Winstanley-Burgess; Treasury Solicitor.

Power to quash applies to adjournments

Regina v Secretary of State for the Environment and Another, Ex parte Mistral Investments Ltd

The decision in *R v South West London Supplementary Benefit Appeal Tribunal, Ex parte Bullen* (*The Times*, May 11 1976, (1976) 120 SJ 437) – that the High Court had jurisdiction to quash a refusal of a tribunal to adjourn a hearing if it could say with confidence that the refusal was clearly wrong even though it had not been shown to be unreasonable in the sense of *Associated Provincial Picture Houses v Wednesbury Corporation* ([1948] 1 KB 223) – could in an appropriate case be applied to a decision of the secretary of state to adjourn or to refuse to adjourn a public inquiry.

Mr Justice Forbes so held in the Queen's Bench Division on March 5, granting an application by Mistral Investments Ltd for judicial review by way of certiorari to quash a decision of the Secretary of State for the Environment who on February 28 had decided to adjourn a public inquiry due to commence on March 6 until after a decision of the House of Lords had been given in another case, but refusing a declaration that the inquiry should proceed as soon as possible.

HIS LORDSHIP said that it was impossible to say that the decision in *Bullen's* case was confined to cases where an adjournment had been refused: in planning cases a decision to adjourn could be a great disadvantage to a developer, and justice delayed could be justice denied. In this case, though, his Lordship was unable to say with confidence that the decision to adjourn had been clearly wrong.

However the decision of February 28 had been reached without allowing the applicant to make representations regarding it. That was both unreasonable and a denial of natural justice, and the decision would therefore be quashed.

Prisoner is in breach of tenancy term

Sumnall v Statt

An agricultural tenant who had been imprisoned for four years, although likely to be released after 13 months, was in breach of the obligation under his tenancy agreement to "reside constantly at the farmhouse", as the object of such agreement was for him personally to supervise the farming operations on the holding, Lord Justice Cumming-Bruce, sitting with Sir Denys Buckley, said in the Court of Appeal on March 7.

HIS LORDSHIP said that it had been argued that where a tenant was in hospital, his farm would remain his home; and it would be so where he had a relatively short prison sentence.

However, the object of the agreement was not simply to make the farm his usual place of residence but for him to be there with sufficient continuity for the supervision of all the obligations under the label "good husbandry".

Uninsured cars from another country

S. A. Gambetta Auto v Bureau Central Francais and Fonds de Garantie Automobile
Case 344/82

Bureau Central Francais v Fonds de Garantie Automobile
Case 64/83

Before Judge T. Koopmans, President of the First Chamber and Judges A. O'Keeffe and G. Bosco
Advocate General, Sir Gordon Slynn
[Judgment delivered February 9]

Under Council Directive 72/166, frontier controls carried out in order to ensure that persons moving from one member state to another or to certain third countries possessed a valid Green Card showing that they benefited from compulsory insurance cover against civil liability in respect of the use of motor vehicles were to be abolished.

To that end the directive required

1 An agreement between the national insurers' bureaux of the member states whereby each national bureau would guarantee compensation in respect of loss or injury caused by vehicles normally based in the territory of another member state and

2. The provision in each member state of compulsory insurance of vehicles against civil liability such insurance to be valid throughout the Community.

Frontier controls imposed on vehicles normally based in the territory of a third country would be removed if the national bureau in that country was a party to the guarantee agreement. Such an agreement was made between the national insurers bureaux of all the member states in 1973 and a supplementary agreement was made between them and the bureaux of several third countries, including Austria.

By decisions No 74/166 and 74/167 the Commission required the member states to cease frontier insurance controls on vehicles normally based in the Community or the third countries covered by the supplementary agreement.

In case 344/82 a car owned by Gambetta Auto was damaged by another vehicle while parked in a street in Paris. The driver of the other vehicle, a car bearing an Austrian number plate, failed to stop and could not be traced. The Austrian authorities had withdrawn authorization for the use of the vehicle upon the cancellation of its insurance before the accident took place. The owner could not be traced.

Gambetta Auto's insurers applied for payment to the French National Insurers' Bureau (the BCF), which acted for all insurers authorized to transact compulsory third party motor vehicle insurance business in France, and the French Guarantee Fund (the FGA), which guaranteed compensation in respect of loss or injury caused by persons who were unknown, uninsured or insufficiently insured. Both denied liability.

In case 64/83 a collision occurred in France between a car registered in France and a stolen car bearing German number plates. The owner of the French car was awarded damages. A dispute arose between the BCF and the FGA over who was liable to pay the damages. At first instance it was held that, since the German car had been stolen, it had not been driven with the owner's consent and was not therefore covered by compulsory insurance under French law. The FGA was held liable. On appeal it was held that the BCF was liable because the stolen car was registered and normally based in another member state.

In both cases the French courts referred the matter for a preliminary ruling under article 177 of the EEC Treaty. In its judgment, the First Chamber of the Court of Justice of the European Communities held as follows:

The Directive envisaged the removal of Green Card checks on the basis of an agreement between national insurers bureaux under which each national bureau would guarantee the settlement, in accordance with the provisions of national law on compulsory insurance, of claims in respect of accidents occurring in its territory, caused by vehicles normally based in the territory of another member state, whether or not such vehicles were insured.

The Directive therefore assimilated every vehicle normally based in another member state to a vehicle which was properly insured, under the conditions of the legislation of the state where the accident took place, at the time when it took place.

Frontier checks should not relate to the insurance cover of the person in charge of the vehicle when it crossed into and while it remained on national territory. The directive did not envisage the intervention of national guarantee funds, only the national insurers' bureau.

The latter was responsible for settling claims applying to the bureau in the member state in which the vehicle was registered for reimbursement. Where the vehicle was not insured, the latter could apply in turn to its own guarantee fund.

For every vehicle covered by the directive, the national bureau in the state where the accident occurred guaranteed settlement if the accident should have been the subject of compulsory insurance in that state, under the limits and conditions fixed by its own national legislation, whether or not the driver of the vehicle was insured.

In order to remove frontier controls on insurance, it was imperative that the country in which the vehicle was normally based was easily identifiable. That was ensured by issue of a registration plate. To require the plate to be valid would be to replace the Green Card checks with systematic checks on registration of vehicles and render the Directive otiose.

In consequence, under the Directive, a vehicle bearing a registration plate had to be considered to be normally based in the country of registration even if authorization to use it had since been withdrawn.

For those reasons the court held as follows:

1 The words "in accordance with the provisions of national law on compulsory insurance" in article 2 (2) of Directive 72/166 referred to the limits and conditions of civil liability applicable to compulsory insurance, the driver of the vehicle at the time of the accident being deemed to be validly insured pursuant to such legislation.

2 When a vehicle bore a validly issued registration plate, it was to be considered as normally based in the state of registration even if, at the material time, authorization to use the vehicle had been withdrawn, whether or not withdrawal invalidated registration or implied its abrogation.

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Join the account executive in this prestigious consultancy. Organise and attend the many press conferences held UK wide as well as directly handling major client accounts in the computer related industry. Enjoy dealing with varied administration in a very friendly and creative team. If you have secretarial ability, move into this position offering total involvement. Call Jocelyne Podd on 734-0911.

SECOND JOB IN GRAPHIC DESIGN
If you would enjoy a creative informal environment meeting designers, producers and artists for this small studio. As secretary to the MD, you will handle the administration of the office, deal with clients both in person and by phone and generally organise your dynamic, successful boss. If you have shorthand and typing skills, call Penelle Carter on 734-0911

TOP PA POSITION £8500-£9000
Established firm of very dynamic American lawyers will use your experience and talents as a senior PA secretary for a partner. Excellent typing, WP and admin skills essential. In return you can achieve heightened responsibility, and involvement within this informal friendly team. No legal experience required. Call Jane Houlston on 831-0666

TRAVEL PA £7,500
Directors secretary with proven track record and excellent skills, will enjoy working for this busy man. The nature of the travel industry as well as the diversity of projects your boss handles, will allow you to gain both enjoyment and wider experience from this position. Call Jane Houlston on 831-0666.

COMPUTER FUTURE £7,000
Interested in a career in Computers? If so, here is the opportunity to assist a young dynamic sales team, holding the fort in their absence, booking their appointments, dealing with clients regarding sales and computer software. Be trained on the micro computer and WP whilst using your secretarial skills for support. Call Ellen Keiser on 623-1226.

MARKET RESEARCH £7250
Lots of responsibility here when you take on the reorganisation of personnel administration and back-up as PA to this young dynamic MD you will assist in developing the clients, learn the business and train on WP. If you have dealt with people at all levels and have good communication and secretarial skills, then this is a position where you step stones to phone Jackie Mills on 623-1226.

AMERICANS IN LONDON
Join this young exciting team of consultants who handle American clientele relocating to the UK. Based in the home operations division you will deal with clients both in person and on the phone plus use your organisational ability to ensure deadlines are met. If you have secretarial skills this is a position with promotion prospects. Call Bridget Farmer on 734-0911 today.

TOP PA £9,000+ benefits
Join this go ahead expanding company and take on this top position as PA to the MD. Use your own initiative to deal with people at all levels. Organise his heavy schedules. Attend board meetings and become involved in company decision making. Enjoy excellent benefits, BUPA, LV's, Company Pension and free life assurance plus 20 days holiday. Call Jill Corbett on 221 5072

VIDEO PRODUCTION
Involve yourself in all aspects of this fascinating industry and travel out on location with the camera crew. Visiting top level clients and handling all their inquiries on the telephone will assure a varied day. Handle all the correspondence, organise your dynamic and charming boss, and look after all the administration. If you have top secretarial skills call Jill Corbett on 221 5072

SECRETARY IN COMPUTERS £8,000
Are you a self starter with experience in the Computer Industry? Then assist the Manager of this international company to set up a new division. Based in West London, help to select new equipment and organise a training school. Phone Jill Corbett on 221 5072 today for more information.

DRAKE PERSONNEL
A Drake International Company (Consultants)

20 years of friendly service

Holborn 95 High Holborn WC1 01-831 0666
Notting Hill 10 Pembridge Road, W11 01-221 5072

Late night appointments Thursday

The City Peek House, 20 Eastcheap, EC3 01-623 1226
West End 225 Regent Street, W1 01-734 0911

PA SECRETARY TO MANAGING DIRECTOR

The British Managing Director of one of the largest resort complexes in Spain owned by a major British Public Company is seeking a PA/Secretary who will be resident in Spain. The complex contains two championship golf courses, a tennis village, riding stables and beach and water sports club, as well as hotel, villas, and apartments.

Applicants should be self-motivated, sports lovers with previous experience of the leisure industry. A sense of humour and a reasonable command of spoken Spanish is essential. They should enjoy working – a dynamic environment and be used to long and flexible hours. First class secretarial and administrative skills are essential

Attractive salary, 20 days holiday, BUPA and return flight concessions. Free accommodation will be provided. Some travel will be required from time to time to the UK and parts of Europe.

Please phone Angela St Clair-Clarke 437 7800.

Secretary to Sales Director
Enfield c.£7,000

Our client is a successful, publicly-quoted company manufacturing well-known branded products for home and overseas markets.

An opportunity now exists for an experienced (28+), capable secretary to support the Sales Director by providing the full range of private secretarial functions.

Applications are sought from candidates who have the tact and organisational flair essential for this important role.

Hours are 8.45 am-4.45 pm; attractive benefits include free BUPA, subsidised staff restaurant, pension scheme and 4 weeks' holiday (rising to 5); and the convenient location is well served by both buses and trains.

To apply, send your full personal and career details to: Ref: S3107/T, PA Advertising, Hyde Park House, 60a Knightsbridge, London SW1X 7LE, or telephone Alison Smith for an application form on 01-235 6060, ext 214.

Your completed application form will be forwarded directly to our client, who will conduct all interviews.

TOP OF THE POPS £7,500

A famous name recording label seeks a PA/Secretary to their Managing Director. You will be encouraged to learn as much about the industry as possible and develop contacts and business relationships with clients. You will also be responsible for staff recruitment. A bright, enthusiastic personality and 90/60 skills needed.

CHANNEL 5 TO £7,500

A famous Television Company seeks a Secretary to join their international division which is responsible for selling programmes worldwide. This is a very varied position involving secretarial and administrative duties. You should have 80/50 skills and be reasonably numerate.

Elizabeth Hunt
RECRUITMENT CONSULTANTS
18 Grosvenor Street London W1
Telephone 01-499 8070

SENIOR SECRETARIES

Senior Executive Secretary
Up to £9,000

We're looking for a Senior Executive Secretary to work in the luxury offices of a well-known international company. Excellent secretarial skills and the ability to cope with PA duties including keeping diaries and organising appointments and travel arrangements.

Back a winner at Epsom
£10,000 pa

We're favourite for the best jobs, and we need a secretary in mid-30s to work for the Chairman of a company in Epsom. Excellent shorthand/typing skills teamed with efficiency and the ability to work under pressure.

Temporaries are also needed.

Contact: Alison Dawe, Brook Street Senior Secretarial Appointments, 136 Baker Street, London, W1. Tel: 486 6144.

BROOK STREET
SENIOR SECRETARIAL APPOINTMENTS

All an employment service should be

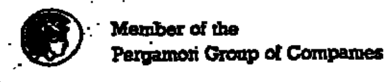
Secretary/PA to M.D.

Senior level secretary required for this unique publishing company. First-class typing and shorthand skills, together with a pleasant telephone manner and ability to use initiative are essential.

Word processing (Wang) would be an advantage, although training can be provided.

Please apply, quoting reference 04 to:
John Forsaith, Personnel Director,

BRASSEY'S DEFENCE PUBLISHERS
Maxwell House, 74 Worship Street,
London EC2A 2EN.



Member of the
Pergamon Group of Companies

Senior Level Personal Assistant – £10,000

[Ref: 111]

Chairman of newly established international investment company requires top class PA. He would like someone with excellent presentation who has worked at, or is capable of working at, a senior level. You should be self-motivated with bags of common sense, a legal or financial background would be preferred. You will be expected to have good secretarial skills and be able to handle a word processor/telex and the latest office technology. Personality-wise you should be able to compliment the qualities of a young Americanized Frenchman who is exacting but fair, perfectionist but human, and often physically (but never mentally) absent. You will be totally involved in his business projects and he'll delegate as much as he thinks you can handle, which is often more than you imagine yourself. You will work from his London base with Far East connections so a knowledge of Far Eastern cultures would be useful. Flexibility on hours and locations essential.

Private Secretary – £7,000

[Ref 112]

Busy Chairman requires private secretary preferably a graduate and possibly your first assignment. Good secretarial skills essential and knowledge of word processing and telex useful. The position will involve taking care of all the Chairman's private matters, running his private office and flats. It requires a responsible person with good presentation who can keep everything running smoothly especially in the Chairman's absence. To start as soon as possible.

Please telephone 01-730 4891

Career Opportunity
Salary package c. £12,000 p.a.

We are looking for a quick-thinking, exceptional person to work as a vital member of a successful, happy and tightly-knit team. Full training and support will be given but you must essentially be a self-starter.

You should be a good judge of people, have the confidence to project your personality in a marketing role and be a competent administrator. You will need the mental agility to cope with a wide variety of tasks, and will have the opportunity to become really involved at a senior level as the company grows.

Applications are invited from candidates aged 25-30 with at least 2 "A" levels, who have previously held both a secretarial job and an executive job. Please apply with full curriculum vitae and a telephone number before 23 March to:

Box 2472 H The Times

JUST ANOTHER LOVELY JOB
c.£9,000 + perks

Really, if you have senior sec. experience, common sense, reasonable numeracy, good speeds - say 100/60 wpm, good English, good organising ability and a friendly personality, and are willing to accept delegation and muck in wherever needed (no toffee noses or high-and-mighties need apply), you're eligible. Age? 28-45. The job? Secretary/P.A. to the M.D. of a U.S. company's European operations H.Q., with offices beautifully, if functionally, furnished in a quiet mews house on the SW1 side of Hyde Park Corner. He's away a lot, which means peaks and troughs and holding the fort on telephone, telex, WP and mini-computer, and booking hotels, flights etc. Free BUPA and pension, discretionary bonuses and whatnot. Lovely! Ring

01-734 7282
MARY OVERTON
RECRUITMENT LIMITED
35 Piccadilly, London W1V 9PB

BANKING

c £9,500 + MORTGAGE
This is an excellent opportunity for an ambitious Sec/PA to work for the newly appointed European President of this international bank. Age 27-35, speeds 100/60.

2nd JOBBERS £7,500-£8,500 + BONUS
We have several interesting vacancies for bright young Secretaries with minimum 1 yrs experience to join international investment and merchant banks. Age 21+, speeds 90/60.

COBBOLD AND DAVIS RECRUITMENT LIMITED,
35 Bruton Place, London, W1.
Telephone: 01-493 7789

CDR

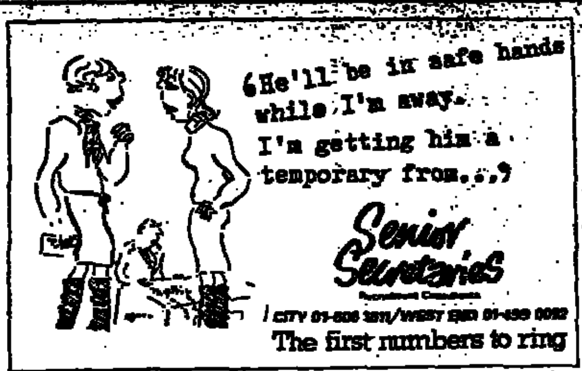
GROSVENOR HOUSE
GUEST LIAISON SECRETARY

As the flagship of the Trusthouse Forte Hotel Company, we are a luxury 5-star hotel, overlooking Hyde Park, offering the highest quality service to our International guests. If you are looking for a busy but satisfying job with plenty of guest liaison, working with the Executive Director and his team may be right for you.

You will probably have a good general education and at least 2 years Secretarial/Administration experience, with excellent typing skills. Above all, you must be efficient, presentable, have a bright personality and the ability to work well with others. Previous hotel or tourism experience is an advantage.

Excellent conditions and benefits are of course offered by this leading Hotel and Catering Company.

Send your CV to: Miss Woodeson, Personnel Manager, Grosvenor House, Park Lane, London W1A 3AA, or telephone for more details on 01-499 6363 during office hours.



Audio Secretary

The Company Secretary of the Press Association, Britain's national news agency, requires a mature Secretary to assist him in his new appointment. Candidates, who will probably be aged over 35, should be numerate and have audio speeds of 65 words per minute for this demanding and varied position.

Salary £7,250 per annum rising to £7,500 per annum after 3 months satisfactory service. Hours 9 am - 5 pm, staff restaurant, season ticket loan schemes, pension and free life insurance schemes.

Applicants should write to the Personnel Officer, The Press Association Ltd, 85 Fleet Street, London, EC4P 4BE or Telephone 01-353 7440, Ext 16, for application forms.

Personal Secretary
£7,600 p.a.

National firm of agricultural/commercial surveyors requires an experienced Personal Secretary (shorthand and audio) for a Senior Partner involved in rural estate agency and management work. Interesting job as part of a small, friendly team. Phone R. D. Pryor on 01-629 7282.

Strutt & Parker
13 Hill Street,
Berkeley Square,
London W1X 8DL

OIL
PA/SECRETARY
£7,000+

A state oil agency of a Middle East country requires an outstanding and efficient PA/Secretary for its London office.

In addition to general secretarial skills, applicants should also have a keen interest in world affairs and a writing capability to summarise and prepare executive reports of world news and other international developments. Knowledge of the use of a word processor and other languages is a definite asset.

The right candidate has a good opportunity for personal development and future prospects.

Please ring Mrs Eaves on 01-629 8090 or send C.V. particulars to: General Petroleum and Mineral Services, 129 Park Lane, London W1, for the attention of Mrs G Eaves.

Specialist Barristers Chambers

Specialist Barristers Chambers in The Temple seek a young assistant. The successful candidate will probably be aged under 22, adaptable, intelligent and able to cope with the pressures of a small but very busy office. Excellent typing is expected, but the work will also involve receptionists and telephone duties as well as invoicing. Experience with computers or word processors would be an advantage but is not essential. Initial Salary neg c. £7000. Applications in writing with C.V. please to:

J. A. Brown Esq. Senior Clerk
4 Pump Court, Temple, London
EC4Y 7AN

Senior Secretary

Required by leading oil and gas consultancy in their West End offices. Experience in a marketing environment – in either an oil and gas or high technology company would be extremely useful.

Applicants should have good all-round skills and a flexible approach. Ability to deal with clients, proposal preparation, correspondence, arrange meetings/conferences, and be able to hold the fort. Experience with WP and telexing essential. French and other European language useful.

Age 30+. Salary £8,500 + LVs and other benefits.

Please apply in writing with CV to Personnel Department, Scientific Software Intercomp (UK) Ltd, St Alban's House, 59 Haymarket, London, SW1.

P A
FOR INTERNATIONAL MARKETING COMPANY
PARK LANE

International Marketing Company with offices in Park Lane, London, New York and Hongkong, invites applicants for P.A. to M.D. of U.K. branch office. Company markets electronic consumer and premium items world wide. Successful applicants should be between 20 to 30 and possess good secretarial skills.

Send CV and references to:
Personnel Department,
3 Winterdown Gardens, Esher, Surrey

Personal Assistant
TO CHIEF EXECUTIVE

Our group Chief Executive requires a mature, articulate, dynamic and hard working person to help co-ordinate and support his hectic work style. We require someone with special talents – capable of working late if required – tolerant, yet understanding and willing to operate against the background of a fast expanding Financial Services Group. Based in Mayfair, we expect to pay a good salary to a suitable candidate so if you feel that you can match these exacting requirements, please apply in writing enclosing a brief C.V. to:

BOX 2444 H, THE TIMES

Word Processing wizards earning around £8000 - £9500 pa
Interested in a career in training

Significant business growth has led to exciting new opportunities for highly skilled professional WP Trainers at our West End office systems training centre.

If you have at least 2 years WP experience & have a progressive outlook to your career, contact Joy Adams.

WP MANAGAMENT SERVICES
115 Shaftesbury Avenue, London WC1
439 4001

OFFICE MANAGER
Sheen £10,000

This small company, engaged in the design ad development of data communications products is in need of an efficient organiser. You will probably be in your late 20's, or older with a background in P.A. work and sound secretarial skills. An interest in electronics will make the job more attractive as some of the work is of a technical nature. The company is growing quickly so one of your first tasks is to find new office accommodation. This really is an opportunity to get involved so please contact Tricia Young, The Finsbury Secretarial Limited, Finsbury Business Centre, 40 Bowling Green Lane, London EC1R ONE.

Tel: 01-278 0333
(Rec Cons)

SECRETARY/PA IN PUBLISHING – To £9,000

Our client, a leading publishing house, seeks a Secretary/PA to their Managing Director. You should have a solid senior level background and be educated to degree level. This position will involve some overseas travel, and so a good working knowledge of German would be an asset but is not essential. 100/60 skills needed.

PA TO THE CHAIRMAN – c £9,000

A famous name international company seeks a PA/Secretary to their Chairman. You will be entirely responsible for the smooth running of his Mayfair office. This will involve everything from instructing the chauffeur to setting up board meetings. You should be very socially confident and immaculately groomed. 100/55 skills needed.

Elizabeth Hunt Recruitment Consultants
18 Grosvenor Street London W1 Telephone 01-499 8070

TEMPORARY SECRETARIES

We wish to recruit additional people, to join our busy team of Temps. We offer excellent rates (average £4.00 per hour) and the opportunity to work on some very interesting assignments in fields as diverse at T.V., P.R., Publishing and Banking. If you possess minimum skills of 100/60 with a professional and flexible approach and are prepared for hard work contact:

KARIN PARNABY and GINNY LING
on 01-629 7262
GRADUATE APPOINTMENTS LTD.

SEC/PA
TO ADVERTISING MANAGER

Lively position in leading City based Bank for organised, well presented person with good Agency related experience. Age 23 years +.

Salary £8,000 + benefits.

No Agencies. Contact: Lucy Blake/Alex Wesley

01-486 7011

Executive Secretary/PA Typist/Recep/Telephonist
Salaries negotiable

Successful & rapidly expanding Middle East based engineering company, opening new offices requires Executive Secretary/PA and Typist/Recep/Telephonist. Both with fluent French. C.V's to

Arab Engineering Company
125 Kensington High Street, London W8 5SF

GRADUATE SEC/PA
£7,500 - £8,000

Partner of top Advertising Agency in SW1 is looking for a PA with good secretarial skills and a degree (pref. in social sciences).

An involving and rewarding position working in planning and research, luxurious offices and friendly crowd. Ring 734 7155.



INTERNATIONAL
London San Francisco Athens
5/8 Lower John St, London, W1

Hatton Garden based Design and Print Company require a

PA/Sec to the Design Director

Lively, ambitious, self-motivated person used to client contact and capable of ensuring the smooth running of a very busy design office. Excellent salary plus bonus scheme. Telephone 01-831 0448.

Smart appearance essential.

LLOYD'S UNDERWRITERS
£10,00 – RUSTY S/H

A superb opportunity has arisen within a highly successful firm of underwriters in EC3 for an efficient and capable PA.

The work is varied and responsible, providing full secretarial and administrative back-up to 2 senior partners with extensive client liaison and confidential personal work. Lovely offices close to Fenchurch Street. Excellent package includes free lunch. Non-smoker and IBM WP experience essential. Age 25-40.

Please call 588 3535

Crone Corkill
Recruitment Consultants

ADVERTISING OPPORTUNITY
£8,000 neg

We are a large international Advertising Agency in St James' and are looking for a young, intelligent, flexible person with good secretarial and admin skills to work with one of our Account Directors and his group. Our ideal applicant would have initiative, enthusiasm and the ability to communicate easily with both our clients and our agency staff. If you are interested in advertising and are looking for increasing responsibility within a friendly, often hectic, team environment, this could be the opportunity you are seeking. We have 4 weeks hols, stl and BUPA scheme and a sub lunch salad bar. For further information please telephone Mrs Helen Briant, 839 3422.

PERSONAL ASSISTANT
Buckingham Gate, SW1

A chance to join a successful expanding furnishing company and assist the Directors in the running of a new prestigious showroom. This position provides an opportunity to develop business and admin skills from a secretarial base and will involve contact with Designers, Clients and suppliers. You will need to enjoy acting on your own initiative and have an interest in interiors.

Attractive salary. Age 27+.

Please write with CV to:

Bagshaw & Co (Ref: JLH/44)
3 St Helen's Place, London EC3 6BB.

CONSULTANCY VACANCY

Mistprestige is a centrally located agency. We are a successful, 4-strong team, and have a great deal of pride in looking after the recruitment of many well known companies in the West End and City, also supporting them with high calibre temporary help. We are extremely professional and ethical and enjoy rapid expansion. We are looking for someone to join us in our beautiful offices in Regent Street. Experience is essential and contacts with commercial or media companies preferable. Please write in the strictest confidence or phone:-

Harriet Gabb, MIST PRESTIGE REC CONS.
54-62 Regents Street, London W1
(Tel 437 4141)

MEDIA AGENCY, NW8

Offer a vacancy which is often pressurised but never dull to a fast, accurate, typist. You should have at least 2 years' experience and preferably WP knowledge. So if you want involvement and variety, telephone Heather on 937 6908/6918.

Salary according to experience.

MAYFAIR ESTATE AGENTS

require audio secretary/PA. Experience in word processing (Wordstar) essential. Excellent salary.

Telephone: 01-493 2222
Ref. C.I.P/S.W.G.S
Charles Price Rentor & Co.

WEST END ESTATE AGENTS

Audio Secretary

Required for Partner and Associate of rapidly expanding company £7,500 per annum. WP knowledge an advantage, sense of humour and initiative essential.

Telephone John Keenan
01-487 5656
(no agencies)

Legal Secretary W1
£8500

Flexible 22-26 year old with Company and Commercial Litigation experience to assist partner. Audio and some shorthand, will train W.P. Similar position Commercial Conveyancy ideal 20-22 year old £7500.

Kaye Hartigan
930 5733

CENTACOM

KNIGHTSBRIDGE

PA/Secretary

30 – 40 with first class qualifications required by executive chairman Anglo-Belgian Club. Smart appearance, pleasing manner, ability to liaise with both staff & members & prepared to take over responsibilities in chairman's absence. Knowledge of bookkeeping, shorthand, typing & French essential. Friendly atmosphere, free lunch, 4 weeks holiday. Salary negotiable.

Tel: 235 5642

c. £8,300
International Co.

Audio Sec for Specialist in High Tec Division. Must be lively, well presented and wanting involvement; aged mid 20s. Exc benefits include free BUPA & pension scheme. L.V's and STL.

Tel: Maggie Gale
405 5209

Appointments 84 Ltd

£10,000 MARKETING

An exciting opportunity exists for a skilled and enterprising PA/Secretary at the top end of an international promotions group. A superb organiser is needed to handle a hectic schedule of meetings and to co-ordinate marketing activities.

Directors' Secretaries
Tel. 01-629 9323

Bi-lingual PA
c. £9,000

Perfect French & English (SH. English) 26-32, superb dress sense, W1 based for private financier.

Call 408 1631

Your Personnel Choice
£6,000 – £10,000

Whether you are a Secretarial administrative or Management person. We have a variety of personnel positions to offer you. For more details call.

588 5081

MIDDLETON JEFFERS
RECRUITMENT LTD

TO £10,000
MUSIC, MUSIC, MUSIC

A personable PA is needed for the European President of a major record company in the West End. Shorthand is requested at 90+ and good spoken and written French would be useful – although it is not a true bilingual position.

A stable background and attention to detail is essential.

377 8600 CITY
439 7081 WEST END

Secretaries Plus
The Secretarial Consultants

£9000 PA/Sec 28-32 (100/50) with good educational background for Chief Executive (young member of House of Lords), excellent International Co WC2.

£8500. + excellent fringe benefits, PA/Sec mid 20's (100/50) to work for 2 young men in friendly Co WC2.

To £7250. PA/Sec early 20's (100/50) to be right hand to MD of Property Co SW1

£7000. Bilingual Spanish for PA/Sec early 20's (100/50) to join busy marketing department of International Co, SW1

Phone 437 8476 or 734 3768
133-138 Oxford St
Rec Cons

Miller/McNish

also on page 28

[Cr]ème de la crème

PA FOR MD
£9,500
Working for dynamic 40 year old who is looking for a high calibre PA/Secretary capable of acting as his right hand and giving a total PA, Admin and Secretarial back-up. Applicants should ideally have previous senior level experience and good inter personal skills, as there is considerable liaison with senior management. A busy, interesting job with plenty of scope for involvement. 100/60. 25-35 years

PA/SECRETARY
to £8,400
International Trading company requires a bright, lively person to work for two of their Senior Executives. A busy and varied day involving correspondence, diaries, telephones, etc. Good organising ability and able to communicate well at all levels. 90/50 Age 22+.

GRADUATES
£7,000-£8,500
We have three career vacancies for graduates, 22-30 years, covering Personnel, Investment and Trading. The trading vacancy requires good spoken and written French. Typing is a requirement for all three.

499 9175
MacBlain NASH
Recruitment Consultants
16 Hanover Square, London, W1.

YOU'VE GOTTA HAVE STYLE
c. £9,500
You'd be Personal Assistant to Sales Co-ordinator with the Chairman M D of a tightly knit international printing publishing advertising group with all the latest electronic office gear and HQ'd in swingingest Mayfair. You'll need all the skills of a top-notch sec, although that sort of thing will take only 40% of your time. (Word processing training if you think a cursor is someone given to bad language.) You'll arrange business meetings and sit in on some. You'll be marvellous on the phone, ditto in person, out-going, broad-minded and at home jockeying a thumping great Mercedes. Long-ish hours, relieved by some travel. Age: 26-30. That's the style. If you've got it, ring
01-734 7282
MARY OVERTON
RECRUITMENT LIMITED
35 Piccadilly, London W1V 9PB

OPERATIONS SECRETARY
c. £9,000
This young Architect/City Planner, EC1, needs a lively and efficient person who is able to run the office during his frequent absences. Shorthand is not a requirement. you will use the word processor to the full when the pace becomes hectic but the job has plenty of scope if you prove yourself willing and able.
If you would like more details contact:
TRICIA YOUNG,
The Finsbury Secretarial Ltd.,
Finsbury Business Centre,
40 Bowling Green Lane,
London, EC1R 0NE.
Tel: 01-278 0333.

EXECUTIVE BANKING PA
£9,000 + mortgage
A senior Director attached to an elite merchant bank seeks someone to share a challenge with him. He performs an advisory role for underdeveloped countries, produces a very high work load but is easy to work with. Shorthand, typing and word processing skills should be first class. Age mid/late 20s. Banking experience preferable.
01-236 1113
Sandy Robinson
Portman Recruitment Services

CHAIRMAN'S SECRETARY
c£12,000
IBM DISPLAY WRITER
The Chairman and Financial Director of this City based firm of underwriters needs an extremely capable secretary to work very much on their own initiative and able to take on the responsibilities of a senior position. Experience is essential on the IBM display writer and the willingness to use audio as shorthand is not required. Excellent working conditions. If you are currently temping this would be an ideal temp to perm situation. Please call Penny Radford on 01-629 5747, New Venture Word Processing Ltd. Rec Cons.

DRAKE
SOMETHING COMPLETELY DIFFERENT
If you are ambitious with a minimum of 2 years sales experience. This dynamic international personnel consultancy will offer you an excellent salary & commission with personal growth. You will have your own clients & be responsible for the development of new business.
CALL GINA NADLER 734 0911
OR
JILL CORBETT 221 5072
20 years of friendly service

PA/Secretary
Required for Partner in large and busy office of Kennington chartered surveyors. Duties to include confidential administrative support.
For further details apply: Daniel Smith (Ref NJL), 157 Kennington Lane, SE11 4HA. Tel: 01-582 5550. No agencies.

Secretary/PA in Clapham
We have a vacancy for an experienced, commercially astute, organiser to assist the young MD of a very active transport and manufacturing co. nr. the Common.
Duties will include arranging travel, promotions and exhibitions, coordinating export trade and generally assisting in the smooth, profitable, running of a 25 staff operation. Languages and w.p. an advantage. Salary by negotiation.
Write to I. P. Tay, Esq., Mocheck Ltd., 24/28 Clapham High St., SW4

£8,500+
A point of Law
One of the senior partners of a leading City Law Firm needs an experienced shorthand secretary who is looking for a position with interest. As well as providing general secretarial support on client matters, you will be responsible for a high degree of administration in connection with Law Society affairs. This opportunity will suit an efficient, personable secretary, preferably with experience of working at senior level in a large firm of City Solicitors. You will want a job with involvement and variety, be well-presented and aged 23-30. Speeds 100+/60.
We also have several vacancies for audio secretaries.

ANGELA MORTIMER
Secretarial Recruitment Consultancy
FOXGLOVE HOUSE · 166 PICCADILLY · LONDON W1
TEL: 629 9686/7/8/9

RIGHT HAND
Managing Director's Right-hand needed by 2 major companies. In the City, we are looking for someone with a working knowledge of French and German, and who would be interested in the fascinating world of Oriental carpets. The company is old established, the job is varied and the salary is £8,500. In Kensington, where there is an unusual opportunity to use both English and French extensively. You need viable shorthand in both languages and the experience and confidence to work at senior level. The salary is £9,500.
MULTILINGUAL SERVICES,
Recruitment Consultants
22 Charing Cross Road, WC2
01-836 3794/5

LEISURE
c. £8,000
The Chief Executive of this young and expanding company is looking for a bright secretary to join his department, working closely with him and his P.A. You will give full secretarial support, arrange meetings and travel, as well as hold the fort in their absence.
Educated to 'A' level standard and probably in your early 20's, you take pride in your work and appearance, and are looking for a job that offers real scope and involvement. 100/60.

ANGELA MORTIMER
Secretarial Recruitment Consultancy
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TEL: 629 9686/7/8/9

Self-motivated?
to £9,000
You must be able to relate well at all levels and be happy to work without supervision as Secretary to the MD of a small electronics company in SW1. A stable background, age range 30-45 and good shorthand typing skills required.
377 8600 City
439 7001 West End
Secretaries Plus
The Secretarial Consultants

Director's PA
Merchant Banking
£9,000
Senior Director's PA seeking fulfilment in a challenging environment is sought by the Director of the Overseas Division in a leading Merchant Bank. Great deal of client contact with administrative reponsibilities, requires initiative and top secretarial skills. Excellent banking benefits including mortgage.
Call Banking People Limited on 01-588 8161

OFFICE ASSISTANT REQUIRED
An interesting position in the world of food, wine and design. We are looking for someone to help run Chichester office. This position calls for good general office experience and telephone manner, accurate typing, good written English and a sense of humour. The work involves liaison with television, radio and press.
This is a responsible position, highly recommended by present girl. Salary, negotiable according to age and experience, will be reviewed 6 monthly.
Write with brief details of experience to
ANNA BEST,
2 TERMINUS ROAD,
CHICHESTER, WEST SUSSEX,
PO19 2DR

SEC'S & WP SEC'S
If you're in the following earnings group:- £8,500pa S/H (some WP?), £7,800 pa PA/SEC to Exec, £7,300 pa Sec to 1/3 managers, we need you! We have a variety of future assignments...
Headhunters W1 need Exec SH Sec with Olivetti 351! Management Consultants need young Sec for team, lots of pressure W1. Exec in paper Co urgently requires Sec, mid 20's Park Lane office – Swedish speaking.
Duke St House
415-417 Oxford St, W1
(opp Selfridges)
629 9863
KINGSWAY
Temporary Staff Consultants

Paragon wanted
£9,500
Can you cope with this demanding boss who is head of an international trading company? It is a fast-moving business so he must be able to rely on his secretary. Skills of 90/60, good English and a minimum of 5 years senior level experience are essential. You must also have a good telephone manner, be articulate and have a flexible attitude working for this small team of ten people. French would be an asset and you should be fairly numerate. This is a challenging post in a dynamic, expanding company with lovely offices overlooking a park.
01-499 0092: 493 5907
Senior Secretaries
Recruitment Consultants

PERSONNEL/ ADMINISTRATION
£7,500+
Famous American oil company, Central London, wishes to strengthen the back-up in this department. If you are 21+ with 55 wpm typing, some shorthand and knowledge of WP or willing to be trained, then this great opportunity could suit a second jobber wishing to widen experience. Excellent fringe benefits are offered.
Please telephone Derek Last, Mistprestige (Rec Cons), 54 Regent Street, W1, 437 1600.

MARKETING SECRETARY
£7,000
Early review
Very famous British company operating internationally from Victoria has a vacancy for a Shorthand Secretary, with some audio, to work for the Manager in European Marketing. Knowledge of Spanish desirable, French and German useful. If you have a minimum of 18 months experience with 100/50 typing and some WP experience with a flexible attitude towards work, please phone for immediate interview. Derek Last, Mistprestige (Rec Cons), 54 Regent Street, W1. 437 1600.

Bilingual Sec/Assistant
Salary £7,750 neg
The U.K. Sales Director for a French Printer needs a mature, independant Assistant able to work on their own initiative.
Must be fluent, have good sec skills (S/H) and a good tel. manner
Responsibilities include contact with Customers/Factory preparing quotations, general office admin, basic knowledge Bookkeeping advantageous. Non-smoker preferred. Please phone
Lucinda Ballisat
on 01-734 7282 (ext 15)
or write to
Armentieres Printers Limited,
Airwork House,
35 Piccadilly London
W1V 9PB.
Enclosing a C.V.
(No Agencies)

Reliable Audio Secretary/Receptionist
required for small busy firm of architects in WC1 area. Must be able to operate 3x12 PMBX switchboard, work on own initiative and under pressure. Will need a sense of humour and a lively personality. hours 9.15 to 5.30, 4 weeks holiday.
Replies to
Richard Marsh
Marsh & Wilkey
4 Raymond Buildings
Gray's Inn, WC1
Tel 242 4311/242 4381
(No agencies)

Property Buyers' Guide

South of the Thames

BLACKHEATH
Pleasant 2 bed south-facing ground floor in period house, overlooking the Heath. Private sale - £41,500. Further details telephone 853 0702 or working hours 583 5774.

CLAPHAM SOUTH. Victorian grnd-flr s/c flat. 2 recep. 2 beds. gas ch. side gdn. £45,950. 01-673 4163.

LUXURY House Boat/Cruiser on residential moorings near Kingston. £12,500. 01-398 8882.

HAM, Nr RICHMOND beautifully furnished end maisonette in landscaped garden, large lounge/diner, split level kitchen, 2 dble bedrms, CH. 2 mins River & Richmond Park. £41,950. Tel: 261 3477 (day) 940 6302 (eves).

CLAPHAM OLD TOWN large 6 bedroom Victorian house in quiet residential road off the common. Many original features, gas CH. £97,500. Tel 01-653 8790 (day) 01-622 7751 (eve).

CLOSE TO THAMES W6 in need of complete modernisation, a detached 5 bed house, with 5 receps, 2 wc & bath. £115,000 f/h. Patrick Brigham 741 9384.

WANDSWORTH COMMON. – Unmodernised end of terrace cottage, circa 1880, 4 rms, kitchen, excellent part walled gdn. £35,000 F/hold. Moreton Riches 01-874 4166.

ALMA ROAD, SW18. Charming rebuilt 2 bed. cottage, well equip. mod. accom. inc. roof terr. and gdn. Close all amenities. Fhld. c. £56,000 neg. 01-385 6044. (T)

BATTERSEA PARK. Interior designer's 2 bedroom flat. £46,000 to incl Colefax & Fowler curtains, wall brackets, fitted cpts & all f & f. Tel: 627 1094.

PUTNEY HILL. Large 2 bedrm 1st flr p/b flat. gas ch. £57,500, long lse. Immed possession. 01-949 3004.

BARNES
Little Chelsea. Well mod Vict Cot, 20ft lnge. tiled & fully fitted kit, utility rm, 2 beds, bath, gas CH, fitted carpets, patio.
£56,000
01–878 1733

WIMBLEDOM
Spacious p/b flat. excellent location nr. common and tube. 2 dble beds. gge. gce. dble glazing. Low maintainence. £39,950.
Tel: 01-789 2292 (home)
01-438 1883 (work)

1930s FLAT, LEWISHAM. Classically built block, large lounge, kitchen, fitted cupboards, connecting hallway, 2 dble bedrms, bath rm, original art deco tiling, sep wc, ch, well maintained pleasant gardens. Bargain at £29,500. Tel. Stephen Ayres on 01-440 3063 (not after 9.30pm).

VAUXHALL-ON-THAMES, SW8. Fentiman Rd & Richbourne Terrace SW8. Selection of luxury flats & maisonettes from £29,000 to £58,000 & also elegant houses from £96,000-£120,000. Cooper Reinders Ltd. 735 6111/2.

BARNES, Elm Grove Rd. Edwardian end terrace, 4 beds, bath, 2 reception, original features, shower room, kitchen, fitted ceramic hob, microwave, etc. New roof, garden. £96,000. 01-876 0193.

BATTERSEA. Spacious Victorian family house. Top flr studio 18x15, 3 bedrms, kitchen/dining rm, dble receptionrm, bathrm + 2 toilets. Part Gas CH. £72,000. Tel 672 1168.

WIMBLEDON 4/5 BED det house. Gge, Gas CH., Lge gdn., easy walk BR/Tube/shops/schools. £125,000. 01-946 8284.

DENNY STREET SE11
First opportunity to purchase a property in this street. Mid-terrace town cottage overlooking gdns. Comprises: 2 beds; dress. rm; 2 receps; kit; bath; gdn. In need of some improvement. Freehold £59,500. Daniel Smith 01-582 5550.

BETWEEN THE COMMONS, SW11
Delightful modernised terr Vict hse. original features: Gas c.h. 3 dble beds, kit, bfkfst rm, 27ft dble recep, cellar, cpts. Pretty 60ft gdn, honeysuckle, clematis etc. £76,000. 228 0158.

PUTNEY
superbly modernised freehold 3 bedroom Victorian house with garden in cul de sac by Putney/Barnes Commons.
£79,500
Phone 01-789 4986

COURTENAY SQUARE SE11
Charming town cottage in renowned tree-lined square. Modernised. Comprises: 2 beds; dble recep; kit; bath; c.h.; secl. gdn. Freehold £67,500
DANIEL SMITH 01-582 5550.

CLAPHAM
Attractive, immaculate ground floor flat: 16ft recep, 18ft kit/breakfast rm, dble bedroom, bathrm, gch, pretty garden. Close tube, BR, commons.
£36,950 01-675 2664

BATTERSEA
SUPERB RIVER VIEWS
5th floor flat: 2 bedrms, lge sitting/dining rm, fully equipped kitchen, entry phone, 24hr porterage.
£65,000 01-228 8718 office 0494 881329 home

PROPERTY WANTED

PLAN AHEAD
Co let in W8/W11/W14.
Responsible Canadian professionals need 4 bed furnished or unfurnished residence with garden access.
2 yr min from July.
Phone 01-221 5941
Wednesday pm to Saturday

TO BUY OR RENT: unfurnished spacious flat or wing of country house or stately mansion. Country setting, minimum 2 bedrms. Reasonable price please 10-5, Mon-Sat 267 2639

SHORT LEASE – Unfurnished flat in W.1 area. Min. 3 rooms. Best poss price paid for F&F. 486-7327 (office hours). 954-3331 (eves)

WANTED short lease unfurnished flat W1 area. Minimum 3 rms. best possible price paid for F & F. Tel 486 7327 Office hrs or 954 3331 eves.

Need to buy in London?
(MAYFAIR, BELGRAVIA, ST JOHNS WOOD OR SOHO)
preferably facing park or square with trees, a house or apartment, having drawing room, din room, studio, 3 bedrooms, staff room, laundry room, stylish, if possible high ceilings, parquet floors.
Write Lafema, PO Box 111-1211 Geneva 6, giving details, location, area, price.

OVERSEAS PROPERTY

COSTA DEL SOL. Privately owned furnished villa in Marbella area. Comprising 3 beds, 2 baths, sw'pool and sun terrace with sea view. Bargain at 10,000,000 pts. Please contact Mr Alex, Marbella 34-52-493021 between 5 to 7 pm for private sale. No agencies please

ARCHITECT DESIGNED 1982 country house in 5 acres in mountain village 20 minutes inland from Sotogrande golf. 3 bedrooms, 2 bathrooms, swimming pool. Magnificent views. Price £70,000. Private sale Ring 08697 8370

PROVENCE – Frejus 20kms inland secluded villa, 2 double bedrooms, 2 baths, 1 single bed/dressing rm. SW aspect, 2,000 sq mtre, terraced garden, sw/pool £80,000. Tel: (94) 40 63 84 eves

CYPRUS VILLAS. Outstanding f/h villas on developments or private plots. Also lux beach-front apts. VillaMed Properties, 5 Sleaford Rd, Branston, Lincoln, UK. (0522) 793065 (24 hrs)

FUENGIROLA. 3 bed lux apt. o'looking beach. £30,000. Campo Mijas fab 4 bed villa with private pool, fit for a crown prince £130,000. Part exchange considered in this private sale. Telephone Joule 061 480 5088.

GREECE. Cyclades. Naxos town. Small 17th century house, 5 rooms. No traffic, near Castro. 3 million drachma. 0993 75218 or write Anthony Baynes, Minster Lovell, OX8 5RS

SUPERBLY SITUATED south facing ski flat in Isola 2000, 5 miles Nice. 67m² plus large balconies. Slps 8/10 Underground parking £65,000. Ring Stubbs. 01-872 6381 office hours.

VILLAS constructed to your design. UK contractor operating on Cote D'Azur offers construction services Tel. 0943 76321

SPAIN, VALENCIA. Flat 3 bed rms, 2 baths, lounge, dining rm, kit, balcony, lift £16,500. Tel (0342) 832303.

TUSCANY. Large farmhouse for sale with 100 acres, woods, vineyard and olives. £125,000 Please ring: 01 722 1305.

ALGARVE. Vilamoura apartments & villas from £26,000 RMS 021 643 7026 (24 hrs).

LIMASSOL, CYPRUS. Luxury flats, sea front views. Contact Nick 01 341 2845

TENERIFE – Nth and Sth properties from £13,500. RMS (021) 643 7026

LEGAL NOTICES

NELLIE'S COUNTRY CORNER LIMITED
NOTICE is hereby given pursuant to Section 293 of the Companies Act, 1948, that a Meeting of the Creditors of the above-named Company will be held at the offices of Leonard Curtis & Co. 3/4 Bentinck Street, London W1A 3BA on Friday the 23rd day of March 1984 at 12.00 o'clock midday, for the purposes provided for in Sections 294 and 295
Dated the 6th day of March 1984
J. WILES (MISS)
Director

TONI'S FASHION SHOES LIMITED
NOTICE is hereby given pursuant to Section 293 of the Companies Act, 1948, that a Meeting of the creditors of the above named Company will be held at the offices of Leonard Curtis & Co. situated at 3/4 Bentinck Street, London W1A 3BA on Thursday the 29th day of March 1984 at 12.00 o'clock midday, for the purposes provided for in Sections 294 and 295
Dated the 6th day of March 1984.
S. EVANS
Director

D COUSINS LIMITED
NOTICE is hereby given pursuant to Section 293 of the Companies Act, 1948, that a Meeting of the Creditors of the above named Company will be held at the offices of Leonard Curtis & Co. situated at 3/4 Bentinck Street, London W1A 3BA on Monday the 26th day of March 1984 at 12.00 o'clock midday, for the purposes provided for in Sections 294 and 295
Dated the 6th day of March 1984.
M. NOVAK
Director

continued on page 30

LAND FOR SALE

ARNOLDS HILL FARM
DYFED
Haverfordwest 3 miles · Carmarthen 23 miles
Adjacent to A40(T)
Attractive, modernised, traditional farmhouse.
Excellent grainstore, Dutch barn and traditional buildings.
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197.863 acres in all
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Jones Lang Wootton, Chartered Surveyors, 103 Mount Street, London W1Y 6AS — 01-493 6040
Evans Roach & Co., Chartered Surveyors, 5 Quay Street, Haverfordwest, Dyfed — 0437 2516

Overseas Property

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- 2-4 BEDROOM LUXURY APARTMENTS
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- MAGNIFICENT VIEWS
- RESTAURANT, SWIMMING POOL
- TENNIS COURTS, PADDLE TENNIS
- OVERLOOKING THE MARBELLA CLUB
- WITHIN A FEW MINUTES OF THE BEACH



WE HAVE ENGAGED THE FORMER MANAGER OF THE WORLD FAMOUS MARBELLA CLUB, FOR THE SERVICE AND ADMINISTRATION OF YOUR APARTMENT.
IF YOU HAVE THE SAME EXACTING STANDARDS AND WOULD LIKE TO JOIN US,
PLEASE CONTACT. FELICITY HOARE OR SANDRA KAYE, ROBERT FRASER INTERNATIONAL, 29 ALBEMARLE STREET, LONDON W1. TEL: 01-493 3211. TELEX. 298879
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NERJA, MALAGA
Art directors converted village hse. nr shops & services. 5 mins drive from beach. Lge living rm (10.5 x 7.5m) 3 beds. 2 baths, kit, beautiful tropical gdn, patio. Completely equipped ready to move in. Photos, plans avail. 01-370 7693 eves. F'hld £25,000 o.n.o.

SPAIN, COSTA BLANCA
Spacious, converted farmhouse on 2 floors, all main services. Close market town, Benisa & motorway. Magnificent mountain/sea views. Large living area, attractive kit, master bedrm/bathrm ensuite, 3 further bedrms, sunroom/bar, & lge balcony upstairs. Andalucian patios. Partly furn.
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Tel: Windsor 50412

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The Swiss specialist. Complete range of chalets & apartments for sale to non-Swiss in over 50 resorts including Lake Geneva, Leysin, St Moritz, Verbier, Crans, Montana, Villars & Val d'Anniviers Contact:
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OUR PRICE £50,000
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Apartment on new complex 3 double bedrooms 2 swimming pools excellent shops facilities, tennis courts, golf, near sea.
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MAJORCA, Puerto Andraitx. Villa (3 levels) with simply fantastic views over harbour & port. Communal pool. 2 dbles each bath en suite, lounge with Ibicencan fireplace. 2 enormous terrs. newly dec throughout & fully furn. Outgoings £680 pa. £38,000 Tel: 042 080 300 (eves) & 0420 87853 (day)

NR MARBELLA, private sale, 2 bedrm detached villa, lge terrace, secluded gdns, elevated position. £39,500 o.n.o. Staines 54284

OLIVA. Renovated character town house, 4 rms + new k & b, lge terrace, gdn, 2km beaches. Close amenities. £9,500. (043885) 508.

MARBELLA. 3 bedroomed luxury hse, swimming pool, magnificent sea views. Tel: 010-3492 773080. PO Box 187 Marbella

MOJACAR. Delightful studio with panoramic views, fully equipped. Bargain £8,950. 01-352 6017.

MARBELLA APARTMENTS. From £7,500 1 bedroom & studio apartments, fully furnished at Nueva Andalucia, Marbella for sale direct from owners at prices from £7,500 (studios). £12,000 (1 bedroom apartments). Secure investment with management letting if required. All properties to be sold prior to March 31st 1984. Contact Barbara Maynord. Chichester (0243) 780011 or Mike Parker in Marbella 010 (3452) 784250.

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COMSER Int. Ltd. Dep. TTM Fairview Rd TIMPERLEY, Cheshire Tel: 061-904 9750

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Spacious flat (13th floor) in well run prestige blk, looking out on the sea and the hippodrome. All comfort: 2 beds, open fire. Price: 3.800 .000 Belg francs.
Postal address: Cuykens, Molenstr. 26, 2018 Antwerp/Belgium. Tel: 03/235.32.11 or 234.05.50 (Verbraeck).

MAJORCA
Near Santa Ponsa
Seafront apartment for sale. 2 beds, and utility, sleeps 6/8 people plus all usual rooms. Fabulous view.
£27,000
Phone Sheffield (0742) 23299 (daytime) for full details

EXCHANGE. Writer on assignment in London for the month of July wishes to exchange 1 bed appt in Mid Manhattan for appt of comparable size in South Ken or Belgravia area. Please contact Betsy Divtar Mathea. Peters Pride Publishing, 211 East 35th Street, New York City. 10016. Tel. 212 889 5569.

COSTA DEL SOL. Privately owned furnished villa in Marbella area. Comprising 3 beds, 2 baths, sw'pool and sun terrace with sea view. Bargain at 16,000,000 pts. Please contact Mr Alex, Marbella 34-52-493021 between 5pm and 7pm for private sale. No agencies please.

North of the Thames



Beautiful New Conversion Flats
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£54,500-£89,500
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OPEN SUNDAY 10am to 2pm

PENTHOUSE WITH ROOF TERRACE, W2 Imaginative 5th penthouse in superb development overlooking gardens close Hyde Park. 40ft terrace big views. 2/3 beds, open recep, new kitchen, study/bed 3, 2 bath, lift, 125 years, £125,000.

S J WOOD – FAULTLESS INSPECTION Luxuriously modernised & decor to emphasise handsome elegance, most spacious 3 bed flat in premier portered block. Fine recep, 3 bath, glamour ftd kit. Many ext. 91 yrs. £182,500.

KNIGHTSBRIDGE SOPHISTICATION Beautiful presentation of luxury 3 bed, 6th floor flat, close Lowndes Square. 3 baths, superb kit, 30ft split level recep. Quality & style. Prestige block & amens. 69 yrs. £295,000.

BY ANGLESEA ARMS, SW7 Delightfully presented & very pretty 2/3 bedroom 2 level hse in modrn Regency style develop. Chelsea borders. 23ft recep, kit, bath, access lrge patio, low maint. 64 yrs. £120,000.

RUSTIC SPLENDOUR, HOLLAND PARK strolling distance of this superb natural Park, modern 5 bed family home in prestigious private square. Versatile rec, 2 baths, kit, gge, utility & westerly gdn patio. 85 yrs. £165,000.

MAGNIFICENT FAMILY FREEHOLD, SW3 Beautifully modernised with flair and understanding. Superb family home close Sloane Square etc. 4 beds, 2/3 reception, 2 baths, 2 cloaks, kit, B/F room, featured split level garden, plus fully s/c flat. £450,000.

STUART WILSON & CO 724 0241

Overseas Property



JARDINES DE LAS GOLONDRINAS
MARBELLA
Apartments and villas at Marbella's finest beach. Superbly located in mature sub-tropical gardens

The apartments and villas
Spacious rooms with wide balconies, sea and garden views. Modern, rationally designed bathrooms. Custom-built French oak kitchen units equipped to American standards. Independently controlled air-conditioning.

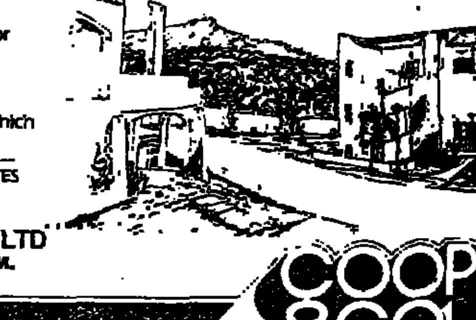
The gardens
Over 25 acres of mature sub-tropical gardens shaded by trees, overflowing with plants. Complete with a stream which tumbles down through the lakes, jacuzzis and swimming areas. Traditional courtyards with fountains at the centre.

The amenities
The finest sandy beach in the area. The 5-star Don Carlos Hotel. Swimming pools, windsurfing, water ski-ing and other water sports. Eleven tennis courts—four of them floodlit. Horse-riding centre. Preferential green fees at two of Marbella's finest golf courses.

The management
An affiliated property management company operates a comprehensive range of services, principally: 24-hour security protection, building maintenance and rentals.
Prices for apartments from £50,000 with excellent mortgage facilities.

Full documentation is available on request from any of the following offices:
London office — ***Jardines de las Golondrinas,*** *32 St. James's Street, London SW1A 1HD. Tel. 01-839 5727.*
UK agents — ***Chestertons Overseas,*** *116 Kensington High Street, London W8 7RW* ***Fincasol Ltd.,*** *4 Bridge Street, Salisbury SP1 2LX.* ***Montpelier International Properties,*** *17 Montpelier Street, London SW7 1HG.*

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25 minutes Malaga, 25 minutes Marbella. 2 beds, 2 baths, large lounge. Terrace-160ft x 16ft. Phone, garden, large pool. Beautiful panoramic views, mountains & sea. Sun all day. Fully furnished.
£42,500 inc nearly new Renault 5TS 12kms.
Tel: day 01-446 5423, eves 01-953 4109 or Spain 52 47 2912

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IBIZA
Luxurious apartment near golf course designed on 2 floors, 3 beds, 3 baths, fireplace. £29,890. Contact us for information on the most attractive properties on Ibiza. From £17,000 to £170,000. Designed & built by resident German developer.
Villa Real, PO Box 74 Banbury, Ox16 7LP. 0295 61219

EXCHANGE MARBELLA/UK
Opposite Puerto Banus. 4 bedroomed villa with s/pool and studio apartment. Cost £150,000. Exchange house or property UK. Tel: (0533) 23004 or 702931.

MALLORCA
Royal Savoy Calavinas
Luxury 3 bedroom, 2 bathroom apartment, fully furnished in largely British-owned complex, with garden and swimming pool at head of secluded bay. Palma.
20 minutes, Airport 30 minutes, £40,000 Phone 0245 413536

هكذا من الأصل

Property Buyers' Guide

Residential property

A house with views of the battlefield

The tramping of many thousands of feet through the show homes in the village at the Daily Mail Ideal Home Exhibition at Earl's Court gives a fair indication of the interest we have in building a roof over our heads.

From a Wimpey prototype of a retirement flat, through Barratt's range to a house built by the Abbey National Building Society, cottages by Potton and a thatched house planned by Architectural Services, the visitor gets a clear idea of the sort of dwellings now being built to fill the housing need.

They were all erected in a matter of days for the occasion, and it is worth considering that if the population is to be properly housed in the future, that rate of construction will be needed.

A report published earlier this week by the Housing Research Foundation, representing builders, planners, consumer bodies and building societies, pointed out that the demolition rate of unfit houses is running at about 16,000 a year. Even if we demolished 50,000 houses a year, three times the present number, it would take about 400 years to replace the existing housing stock.

Without going too far into the details, it means that houses built now will have to stand for a long time if large sections of the population will not be forced to seek refuge in caves once more. That could be one reason why houses that have proved they can survive not only rot and woodworm, but wars as well, are somewhat expensive when they come on the market.

Westcote Manor and Westcote Manor Farm, on offer at £380,000 through Rylands of Cirencester, is a good example. The house stands on the slope of Edge Hill and overlooks the site of the Civil War battle, about eight miles north-west of Banbury. The Manor is believed to have been built in 1620, although the history of the house dates from the fourteenth century.

The eastern portion of the house was added in the 1920s in keeping with the original character, and the accommodation includes three reception rooms, eight bedrooms, three bathrooms and a guest annexe. Outside is a heated swimming pool, tennis court and three paddocks in 33 acres. The farmhouse is believed to date from a similar period and is at present divided into two dwellings, standing in 42 acres, with a pair of semi-detached cottages.



Sleepy Hollow, near Chiddingfold, Surrey, which is on offer at *£285,000 through Hampton and Sons, Guildford office,* and a 1926 Phantom I Rolls-Royce belonging to the owners, which goes with the house for £30,000. The house has a master bedroom *suite, four further bedrooms and an annexe with two bedrooms.* The grounds of 17 acres include a heated swimming pool, tennis court, paddocks and a five-acre wood.

The property is being offered for sale privately as a whole or in four lots. It is clearly something out of *the ordinary, with the association* with Edge Hill a particular attraction. Most of us are satisfied, even *delighted, to complete the purchase* of a house without any such trimmings, but for the buyer who wants something more for his or her money there are a few delights on offer.

Recently, in the hope of attracting a quick sale, a London mews house went on offer with the addition of a Newmarket trained two-year-old colt, and there was the case of the vendor who left a Rolls-Royce in the garage as a small inducement.

It is tempting to dismiss them as mere baubles compared with the offer of *Sleepy Hollow*, a large house surrounded by woodland, a mile from the village of Chiddingfols, *Surrey, which is for sale* through the Guildford office of Hampton and Sons. For the owners are also offering for sale a 1926 Phantom I Rolls-Royce which has only 16,000 on the clock and is in perfect running order.

Mr Tommy de Mallet Morgan, partner of the Hampton's office, said: "I can see that this old Rolls is quite unique and a real collector's item. *The car is on offer at £30,000* compared with £285,000 for the house, which dates from the nineteenth century with earlier origins.

Savills' Cambridge office are offering Rockells Farm, Saffron Walden, Essex, for sale by auction (April 18) and are expecting £900,000-£1m for it. The lordship of the manor has been hived off for sale by Strutt and Parker, so it is unlikely that the noble title can be taken by the prospective owner.

The farmhouse, built in 1835, overlooks its own lake, and the farm was originally known as Wigghepet, with records traced back to 1086. The farm has 386 acres, *the land is mainly Grade II,* and the property has the added ingredient of proximity to the M11 motorway.

Rather less expensive, but still offering more than just a house, is the Mill House, Windmill Hill, near *Hailsham, East Sussex,* a seventeenth-century cottage, fully modernized with four bedrooms and three reception rooms. *It* has extensive brick and tile outbuildings, at present used as a bakery which the agents – Braxtons, of Hailsham – claim with the usual modesty have potential for conversion, and a windmill.

With planning approval the outbuildings could be converted into dwellings. The windmill was last used about 100 years ago, and is somewhat dilapidated "but does afford considerable potential. The *property* stands in about an acre and is on offer at £89,000 for everything, or £59,950 for the cottage alone.

In Kent, you might expect an oasthouse in the grounds rather than a windmill, and that is what is to be found at Rushett, a country property in some 18 acres at Norton, Sittingbourne.

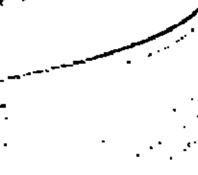
The main house, largely rebuilt in the 1920s, has a Kent peg-tiled roof, and has three reception *rooms, a principal bedroom suite, a* further four bedrooms and three bathrooms. In the grounds is a converted oasthouse providing three bedrooms, suitable for guests or additional family accommodation, and two more cottages. Strutt and Parker's Canterbury office are expecting offers in the region of £375,000.

What else could anyone want? A diversion might be needed, and Savills' York office can provide it *by offering grouse moors* at Weardale, County Durham. Good driven grouse moors rarely come on the market, and the increasing worldwide demand for grouse shooting, added to the continuing decline of the Scottish moors, has turned attention increasingly to the Pennine and North Yorkshire moors.

In all, 4,283 acres are to be offered, with the grouse moor providing two days' driving with an average bag of 450 brace. The land includes 916 acres of commercial forestry plantations, and the property is being sold by the Forestry Commission for a figure exceeding £600,000.

Christopher Warman





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Today's television and radio programmes

Edited by Peter Dear

BBC 1

Ceefax AM.

Breakfast Time with Frank Bough and Selina Scott. News from Fern Britton at 6.30, 7.00, 7.30, 8.00 and 8.30 with headlines on the quarter hours; sport at 6.40 and 7.40; regional news, weather and traffic at 6.45, 7.15, 7.45 and 8.15; the day's television previewed at 6.55; a review of the mornings papers at 7.18 and 8.18; Mike Smith with the new Top Twenty between 7.55 and 8.00; horoscopes at 8.33.

Bellamy on Botany. Professor Bellamy visits the Kingdom of Canute (r). 9.25 Ceefax. 10.30 *Play School*, presented by Elizabeth Watts (r). 10.55 Gharbar. Magazine programme for Asian women. 11.20 Ceefax.

News After Noon. 12.57 Regional news (London and SE *only*: *Financial* report followed by news headlines with subtitles). 1.00 Pebble Mill at One includes authoress Diana Thomas who talks about the lives of royal children from Victoria to the present day. 1.45 Bod (r).

The Cheltenham Festival. Julian Wilson introduces coverage of four races (the fourth on BBC2) from the second day of the meeting. The Sun Alliance Novices' Hurdle (2.15); the Queen Mother Champion Steeplechase (2.50;) and the Coral Golden Hurdle Race Final (3.30). The Sun Alliance Steeplechase at 4.05 is covered by BBC2 3.48 Regional news (not London).

Magic Roundabout (r) 3.55 Play School, presented by Brian Jameson 4.20 Cartoon: Laurel and Hardy characters in The Genie was a Meanie. 4.25 Jackanory. 4.40 Rentaghost (r) 5.50 John Craven's *Newsround* 5.10 *Moonfleet.* Episode four of the smuggling adventure. 5.35 The Wombles (r).

Sixty Minutes includes news read by Moira Stuart at 5.40.

Harty. Russell's guests include *Richard Stilgoe and Andrew* Lloyd Webber, co-authors of the new musical, Starlight Express and Lailan Young who has written a book on the Chinese art of face reading.

Medical Express. Steve Andersen *has a tooth drilled* down to the root without the aid of an anaesthetic – thanks to acupuncture, a form of treatment gradually becoming to be accepted by the medical establishment. There is also *news of a simple electronic* device that is helping Britain's diabetics to live a more comfortable life.

The Day of the Triffids. Part two of the serial based on the science fiction novel by John *Wyndham (r).*

Fame. A former champion amateur boxer, now a student at the school, is forced back onto the ring by a former opponent who is harbouring a grudge.

News with Sue Lawley

The Budget. The Shadow Chancellor replies for the Opposition.

The Other Half. John Pitman talks to Edwina and Ray Currie. Edwina is the Tory MP for Derbyshire West (see Choice).

Sportsnight introduced by Harry Carpenter. Highlights from last night's heavyweight bout between Britain's Frank Bruno and Juno Figueroa of the Argentine, plus the best of the action from tonight's FA Cup quarterfinal replay.

News headlines.

Night Music with Stephanie Lawrence and her guest, Phil Everly (r).

Weather.

TV-am

6.25 Good Morning Britain presented by John Stapleton and Nick Owen. News from Gordon Honeycombe at 6.30, 7.00, 7.30, 8.00, 8.30 and 9.00; sport at 6.35 and 7.35; exercises at 6.50 and 9.15; today's odd anniversaries at 7.05; cartoon at 7.25; Pat Phoenix at 7.40, 8.45 and 9.12; pop video at 7.55; magic moments at 8.10; Eve Pollard's gossip column at 8.35.

ITV/LONDON

9.25 Thames news headlines. 9.30 For Schools: English: The Shrinking of Treehorn – an animated story. 9.47 Feelings. 10.04 Birds that live in the cities. 10.21 Store language. 10.48 History – the Berlin Olympic Games of 1936. 11.10 A visit to a pottery. 11.22 Maths: shape and measurement. 11.39 The Festival of Britain.

12.00 Flicks. Christopher Lillicrap and the Wooden Bricks Family. 12.10 Sounds Like a Story. Mark Wynter with the *traditional story of The King* with the Donkey Ears (r). 12.30 Three Little Words. Quiz game for married couples.

1.00 News. 1.20 Thames news. 1.30 A Plus. With Mavis Nicholson in the studio is soul singer. Nina Simone. 2.00 Crown Court. The case of the man accused of assault and peddling drugs continues.

2.30 A Country Practice. Drama in the Australian outback as evidence grows to an outbreak of a tropical disease. 3.30 Sons and Daughters.

4.00 Flicks. A repeat of the programme shown at noon. 4.15 Batfink. 4.20 Luna. Science fiction adventure serial. 4.50 Jangles. Drama serial starring Hazel O'Connor (r). 5.15 Family Trees.

5.45 News 6.00 Thames news.

6.25 Help! Viv Taylor Gee reports on the Rape Crisis Centre.

6.35 Crossroads. Who is Colin Sands's girlfriend? He refuses to name *her.*

7.00 The Country Diary of an Edwardian Lady. Episode four: April. Edith travels to Dartmoor to stay with her friends – the Trathans – but finds she is playing gooseberry when the eldest daughter of the family is courted by a local railwayman.

7.30 Coronation Street. Will Billy Walker be able to sort out the trouble he has created in the Rovers'? (Oracle titles page 170).

8.00 This is Your Life. Eamonn Andrews with mike and big red book startles yet another worthy.

8.30 Fresh Fields, Comedy series about a middle-aged husband *and wife, this week trying to* find their lost youth (Oracle titles page 170).

9.00 Minder: Get Daley. Arthur is set for a spell in hospital – for a tricky operation on an in-growing toenail. Too late he *discovers the op is not* covered by his insurance. (Oracle titles page 170).

10.00 News.

10.30 Budget '84. The Shadow Chancellor for the Opposition.

10.40 Terror and the State. Part three: Bombings. A distinguished panel react to a hypothetical spate of terrorist bombings. The moderator is barrister Paul Sieghart.

11.40 Film: The Last Chapter (1974) A best selling author gets more than he bargained for when he is interviewed by a teenage schoolgirl. Starring Denholm Elliott and Susan Penhaligon. Directed by David Tringham.

12.15 Night Thoughts from Rabbi Julie Neuberger.

Peter Baldwin: Enthusiasts (Channel 4 5.30 pm).

CHOICE

● What the modern generation of young people make of Arthur Ransome's children's stories of the 1930s I cannot imagine. But for adults weaned on the clean-living adventures in idyllic countryside tonight's **SWALLOWS AND AMAZONS FOR EVER!** (BBC 2 7.10 pm) is a nostalgic experience. Beautifully filmed, the period is captured perfectly with spotless railway stations sporting flower sellers on the platforms, short trousered boys and frock-wearing girls, with not a pair of jeans to be seen, and gloriously sunny summer days spent messing about in boats and, in this first episode of the four-part Coot Club, protecting a coot's nest in the reeds. Tonight, Dot and Dick, two London children, meet the *Broads-based Death and Glory* Boys, when they spend a summer holiday on their aunt's boat. Rosemary Leach as the aunt, Mrs Barrable and Julian Fellowes as the inconsiderate Jerry, who threatens the coot's nest, put in fine performances, but the children, on the evidence of this first episode seem a little wooden. Nevertheless, they promise well and are sure to do justice to Michael Robson's faithful dramatization.

● The couple dubbed by some as the 'next Denis and Margaret Thatcher' are the subjects of tonight's **THE OTHER HALF** (BBC 1 9.35 pm). Edwina Currie, Tory MP for Derbyshire South and her accountant husband, Ray, talk about the parallels in the two families' background but vehemently deny any thoughts of a move to Downing Street. In a particularly interesting programme that touches on the pain caused by mixed marriages.

● Enthusiasm can be tedious when it degenerates into self-indulgence, but judging from tonight's launching film in Channel 4's new series **ENTHUSIASTS** (5.30), and casting an eye over the subjects still to come (seal doctors, Viola growers, ecology park planners etc) these are private passions that are enlarged into public enjoyment, *writes Peter Davalle.* Peter Baldwin, the actor, is not only the man behind the toy theatre tonight but the voices are all his, and so are the hands that move the characters, control the music and sound-effects, and ring down the curtain. The dreadful dialogue is Dumas's, and is of the kind that demands hissing and cheering from *the audience.* For Mr Baldwin himself, however, nothing but cheers.

BBC 2

6.05 Open University: 17th-century Court Patronage. 6.30 Town and Country in Ancient Rome. 6.55 Behind the Seat. 7.20 Edinburgh Observed. 7.45 Isotopes in Geology. Ends at 8.10.

9.00 Ceefax.

9.38 Daytime on Two: Science Workshop. 10.00 Watching bees make honey. 10.15 *Maths Scale.* 10.38 Home Economics: micronutrients. 11.00 Early flint tools. 11.17 *Music and dance.* 11.39 *Lasers for beginners.* 12.05 The Etruscan city of Orvieto.

12.30 The life of a politician away from Westminster. 12.55 A Punjabi version of the film Language for Life (ends at 1.08). 1.21 Italian *conversation.* 1.38 The flora and fauna of seaside rocks. 2.01 How bricks are made. 2.18 Creative writing. 2.40 The signs of age. 3.00 Ceefax.

3.45 The Cheltenham Festival. Live coverage of the Sun Alliance Steeplechase (4.05).

4.20 Ceefax.

5.10 Reading Development. An Open University programme that follows the reading development activities of 7 to 9-year-olds from Saffron *Green First School,* Boreham Wood, Hertfordshire (r).

5.35 News summary with subtitles.

5.40 Film: Tension at Table Rock (1956) starring Richard Egan and Dorothy Malone. Western adventure about a lone man *who rides into a town whose* inhabitants are being terrorised by marauding trail herders. Directed by Charles Marquis Warren.

7.10 Swallows and Amazons For Ever! A four-part adaptation of *Arthur Ransome's novel (see* Choice).

7.35 Open Space: Come On You Spurs. A programme made in conjunction with Tottenham Hotspurs Supporters Club that examines the good and the *bad of football.*

8.05 Sailor. Part nine and the Ark Royal is Homeward Bound with everybody in a jovial mood – including the Captain.

8.35 Geoffrey Smith's World of Flowers. Mr Smith's subjects this week are the various types of poppy.

9.00 Pot Black 84. The third quarter final is between Steve Davis and Jimmy White.

9.25 Strangers and Brothers. Episode ten, based on the Last part of C. P. Snow's Homecomings in which Lewis meets Margaret Davidson for the first time since their affair.

10.20 The Budget. The Shadow Chancellor replies on behalf of the Opposition.

10.30 Newsnight.

11.15 The Cheltenham Festival. Highlights of the afternoon's racing.

11.35 Open University: Geometric Topology: Orientability. 12.00 "Miracles" at Lourdes. Ends at 12.30.

CHANNEL 4

5.00 *Night Beat News. More chaos* and laughter from the world's most accident prone television news magazine team.

5.30 Enthusiasts. The first of a new series of programmes on six individuals and their *enthusiasms. Today actor* Peter Baldwin is the subject. He is a manager of Pollocks Toy Theatre in Covent Garden and a passionate collector of toy theatres and toy theatre ephemera.

6.00 The Munsters*. Ghoulish humour in the shape of Herman who decides to take dancing lessons in order to accompany Marilyn to her college Parents' Day dinner/dance.

6.30 Flashback. Millions Like Us: The Family in Wartime. The sixth programme in the series examines the way war-time feature films were made with the intention of increasing morale. Millions Like Us stars Patricia Roc and Gordon Jackson as a war worker and her RAF gunner husband who *are married* a week before he meets his maker. Waterloo Road features Stewart Granger, Joy Shelton and Alistair Sim as a family *surviving the stresses of* wartime to face a hopeful future in peacetime.

7.00 Channel Four News. includes a report from Trevor MacDonald in the United States on the results of the Super Tuesday Democratic party's primaries and caucuses.

7.50 Comment. The political soap box this week is taken by Richard Wainwright, the Liberal MP for Colne Valley.

8.00 Brookside. Marie, George and Michelle are thrown out of Petra's house by Davey Jones. Then they discover from an unexpected source that Petra has left a will.

8.30 Diverse Reports. *Current* affairs programme which, this week, includes a report from free market economist Peter Clarke who argues that Britain needs a competitive telecommunications market.

9.00 Film: Effie Briest*. (1974) starring Hanna Schygulla as Effie, a young girl married off by her parents to a middle-aged Baron. Adapted from Theodor Fontane's novel and directed by Rainer Werner *Fassbinder.*

11.35 Voices. The fourth programme of the cerebral series is chaired by Robert Hutchinson of the Policy Studies Institute. He is joined by Donald Michie, professor of Machine Intelligence at Edinburgh University and Joseph Weizenbaum, professor of Computer Science at MIT, both of whom have differing views on the subject of Artificial Intelligence.

12.30 Closedown.

Radio 4

6.00 *News Briefing; Weather.* 6.10 Farming Today. 6.25 Shipping Forecast.

6.30 Today, including 6.30, 7.30, 8.30 News Summary. 6.45 Prayer for the Day. 6.55, 7.55 Weather. 7.00, 8.00 News. 7.25, 8.25 Sport. 7.45 Thought for the Day. 8.35 Yesterday in Parliament. 8.57 Weather; Travel.

9.00 News.

9.05 Money Box Budget Call: Tel 01-580 4411. Your chance to discuss yesterday's Budget proposals. with Louise Botting, Vincent Duggleby, Christopher Gilchrist and Philip Hardman.

10.00 *News; Gardeners' Question* Time.

10.30 Morning Story: "Victor" by Elizabeth Evans. The reader is David March.

10.45 Daily Service.

11.00 News; Travel: *Baker's Dozen* with Richard Baker.

11.48 *Myself When Young.* Harry Soan looks back at his youth – The Way of Books (last of six programmes).

12.00 News; You and Yours. Consumer advice.

12.27 The Bird of Dawning by John Masefield. A serial in six parts (3) *(r). 12.55 Weather; Programme* News.

1.00 The World at One: News.

1.40 The Archers. 1.55 Shipping Forecast.

2.00 News; Woman's Hour. Includes *an interview with* Lady Rendlesham, managing director of London's Saint Laurent Rive Gauche shops. And Madge Ryan reads the final instalment of Patricia Wrightson's A Little Fear.

3.00 Afternoon Theatre: Marie by Brian McAvera. Drama set in Belfast in 1968. Maggie Shevlin plays the "new woman" trapped in an old world. The limitations she feels closing around her are perhaps a small-scale reflection of the limitations closing around the political future of her community.†

3.47 Time for Verse. Biblical stories and themes in poetry. with John Mole.

4.00 *News: Just After Four. Dr Rob* Buckman on a flight from Los Angeles to South Africa.

4.10 File on 4 (r).

4.40 Story Time: "The Marsh Lions" by Brian Jackman (2). The reader: Virginia McKenna.

5.00 PM: News Magazine. 5.50 *Shipping Forecast. 5.55 Weather;* Programme News.

6.00 The Six O'Clock News; Financial Report.

6.30 My Music. Steve Race puts the *questions to John Amis and* Frank Muir, who are in competition with Denis Norden and Ian Wallace.

7.00 News.

7.05 The Archers.

7.20 Checkpoint. Roger Cook's weekly investigation into listeners' problems of unfair dealings and injustice.

7.45 Fat Man on a Roman Road. The first of eight programmes in which Tom Vernon rides his bicycle from Exeter to Edinburgh (1) The Road to Windwhistle Hill. (r).

8.15 Anthony Hopkins talking about *music (new series) The first of six* programmes in which Anthony Hopkins explores a different musical work or topic.

8.45 Analysis. Mary Goldring provides a curtain-raiser to next week's European Summit. She explains why, despite all the bad feeling, countries stay in the EEC.

9.30 High Street Africa revisited with Anthony Smith on his motorcycle (11).

9.45 Kaleidoscope. Includes comments on Shared Experience's production of Gogol's *Marriage* at the Lyric Theatre, Hammersmith and on two new books about Joseph Conrad.

11.15 A Book at Bedtime: "The Lost Stradivarius" by J Meade Falker.

10.30 The World Tonight – The Budget. (mf only from 11.00).

11.15 The Financial World Tonight.

11.30 Today in Parliament.

12.00 News. 12.10 Weather. 12.15 Shipping Forecast. 12.23-12.28 The Chip Shop with Barry Norman.

ENGLAND: VHF as above except: 6.25-6.30 Weather; Travel. 10.45-12.00 For Schools: 1.55-2.00 For Schools. 5.50-5.55 PM (continued) 11.00-11.30 Study on 4: L'Italia dal Vivo. 11.30-12.10 Open University. 12.30-1.10am Schools Night-Time Broadcasting: Electronics and Microelectronics (5 & 6).

Radio 3

6.55 Weather 7.00 News.

7.05 Your Midweek Choice: part one. Rawsthorne's overture Street Corner; Beethoven's Piano Sonata in C sharp minor, Op 27 No 2 (Moonlight), played by John Lill; Schubert's Symph No 2.†8.00 News

8.05 Your Midweek Choice part two. Bach's Sonata in G for violin and continuo, BWV 1019 (Kuijken/Leonhardt); Cyril Scott's Lotus Land, Op 47 No 1 (John Ogdon, piano); Foote's A Night Piece; and Martin's Petite Symphonie Concertante†9.00 News.

9.05 This Week's Composers: Medtner and Rachmaninov. We hear Medtner's Sonata Ballade Op 27 (the composer as pianist); and Rachmaninov's Chopin Variations, Op 22 (the pianist is Howard Shelley).†

10.00 Walton: Cleveland Orchestra play the Variations on a theme by Hindemith.†

10.25 Leclair and Forqueray: recital by Monica Huggett (violin), Sarah Cunningham (bass viol) and Robert Woolley (harpsichord). Leclair's Sonata in F Op 5 No 2, and his Sonata in E flat, Op 9 No 9; and Forqueray's Pieces de Viole: La Leclair†

11.10 Chicago Symphony Orchestra: with Alfred Brendel (piano). Mozart's Piano Conc No 9, and the Symph No 38. Solti conducts.†

12.15 Concert Hall: Calliope: Recorder *Ensemble perform works by* Holborne; Johann Christoph Faber; and Hindemith (the Trio: Ploner Musiktag).†1.00 News.

1.05 Off the Beaten Track: Miles Kington presents the first of eight programmes about jazz.†

1.30 Matinee Musicale: Ulster Orchestra play Humperdinck's overture *Hansel and Gretel.* Butterworth's English Idyll No 1; Patric Standford's Folk Songs for String Orchestra; Johann Strauss's Wiener Blut; Fauré's Pelléas et Mélisande, Op 80; and Saint-Saens's March Heroique, Op 34.†

2.30 *Vermeer Quartet. Mozart's String* Quartet in D K 575; Brahms's Clarinet Quintet in B minor, Op 115 (Harold Wright, clarinet); and Debussy's String Quartet in G minor, Op 10.†

4.00 Choral Evensong: Live from Norwich Cathedral. Organist and Master of Choristers is Michael Nicholas.†*4.55 News*

5.00 Mainly for Pleasure: another of Richard Graves's selections Works include music by Vaughan Williams, Smetena and Moeran.†

5.30 Debut: Stephen Rhys-Williams (baritone) with Timothy Barratt (piano) sings works by Wolf and *Warlock (The lover's maze. And* wilt thou leave me thus? etc).†

7.00 Barnes' People. Lament for Armenians and Grey Viruses With Trevor Howard and Harry Andrews. A conversation between two louse-ridden beggars, dead drunk, sitting in a pile of rubbish

7.30 Warsaw Philharmonic Orchestra: with Roman Jablonski (cello). Concert. Part one. Elgar's concert overture In the South (Alassio); and Lutoslawski's Cello Concerto †

8.15 Six Continents: Foreign radio broadcasts, monitored by the *BBC.*

8.35 Warsaw Philharmonic Orchestra: Concert. Part two. Rachmaninov's Symphony No 2.†

9.40 Belfast Festival 1983. Beaux Arts Trio play Haydn's Trio in A (H XV 18) and the Brahms Trio in C minor, Op 101. Part one †

10.20 *Conversations of Lord Byron:* Second of three extracts from Thomas Medwin's contemporary verbatim records of his talks with Byron. With David Collings as Byron and Anthony Hall as Medwin.

10.30 Belfast Festival 1983. Part two. Beethoven's Trio in B flat, Op 97 (the Archduke) †

11.15 News. Until 11.18

Medium frequency medium wave: As above except: 7.30-11.40am Cricket: Second Test. Commentary on Pakistan v England in Faisalabad. VHF only Open University: 6.35-6.55am Open Forum: Students' magazine. 11.20-11.40pm Acts of God?

Radio 2

News on the hour (except 9.00 pm). Major Bulletins: 7.00 am, 8.00, 1.00 pm, 5.00 and 12.00 midnight. Headlines: 5.30, 6.30, 7.30, 8.30 am (MF/MW). 4.00am Bill Rennells.† 5.30 Ray Moore†incl 6.02 Cricket 7.30 Terry Wogan†incl 8.31 Racing Bulletin 9.02 Cricket. 10.00 Jimmy Young†incl 10.02; 11.02 Cricket 12.00 Steve Jones†incl 12.02 Cricket 1.05 Sport 2.00 Gloria Hunniford†incl 2.02; 3.02 Sport 2.50 Racing from Cheltenham: The Queen Mother Champion Chase 3.30 Music All The Way† 4.05 Racing from Cheltenham: The Sun Alliance Steeplechase 4.10 David Hamilton†incl 4.02; 5.05 Sport. 6.00 Paul Heiney†incl 6.02 Sport 6.45 Sport and Classified Results (mf only) 8.00 Hit List with Richard Gordon† 8.30 BBC Radio Orchestra with Bill Rennels† 9.15 Listen to the Band Charlie Chester with Agnes Street Band†9.55 Sports Desk. 10.00 Give Us A Conch! Paddy Feeney presents a natural history quiz 10.30 Hubert Gregg says Thanks for the Memory 11.00 Brian Matthew presents Round Midnight (stereo from midnight). *1.00 Patrick Lunt presents Nightride†* 3.00 Princess Anne. Anne talks to Gerald Williams about the Olympic movement and its ideals and the part sport plays in her life (r) 3.30-4.00 Black Magic with Stanley Black†

Radio 1

News on the half-hour from 6.30 am until 9.30 pm and then 12.00 midnight (MF/MW)

6.00am Adrian John 7.00 Mike Read. 9.00 Simon Bates 11.30 Mike Smith, including 12.30 Newsbeat 2.00 Steve *Wright 4.30 Peter Powell,* including 5.30 Newsbeat 7.00 David Jensen 10.00-12.00 John Peel† VHF Radio 1 and 2: 4.00 am With Radio 2 10.00 pm With Radio 1 12.00-4.00 With Radio 2.

WORLD SERVICE

6.00am Newsdesk 7.00 World News 7.09 Twenty-Four Hours 7.30 Let There Be Drums 7.45 Report on Religion 8.00 World News 8.09 Reflections 8.15 Peebles Choice 8.30 Yes Minister 9.00 World News 9.09 Review of the British Press 9.15 The World Today 9.30 Financial News 9.40 Look Ahead 9.45 Anything for a Laugh 10.15 Rock Back the Clock 10.30 The Seven Deadly Sins 10.50 Recording of the Week 11.00 World News 11.09 News About Britain 11.15 Thomas Traherne 12.00 Radio Newsreel 12.15 Nature Notebook 12.25 The Farming World 12.45 Sports Roundup 1.00 World News 1.09 Twenty-Four Hours 1.30 People and Politics 1.45 Edward Elgar The Making of a Composer 2.15 Report on Religion 2.30 Yes Minister 3.00 Radio Newsreel 3.15 Outlook 4.00 World News 4.09 Commentary 4.15 *Rock Salad 4.45 The World Today 5.00* World News 5.09 Monitor 5.25 New Ideas 8.00 World News 8.09 Twenty-Four Hours 9.15 Soccer Special 9.30 Jazz for the Asking 10.00 World News 10.09 The World Today 10.25 Book Choice 10.30 Financial News 10.40 Reflections 10.45 Sports Roundup. 11.00 World News 11.09 Commentary 11.15 Thomas Traherne 11.30 Top Twenty 12.00 *World News 12.09 News About Britain* 12.15 Radio Newsreel 12.30 Monitor 12.45 Yes Minister 1.15 Outlook. News Summary 1.45 Anna of the Five Towns 2.00 World News 2.09 Review of the British Press 2.15 Network UK 2.30 Assignment 3.00 World News 3.09 News About Britain 3.15 The World Today 3.30 Musical Memories of Evelyn Barbirolli 4.00 Newsdesk 4.30 Classical Record Review Record Review 5.45 The World Today.

(All times in GMT)

BBC1 Wales: 12.57pm-1.00 News of Wales headlines. 3.48-3.50 News of Wales headlines. 5.55 Wales Today. 11.50 News and weather. Scotland: 12.55pm-1.00 The Scottish News. 5.55 Scotland: Sixty Minutes. 10.05-11.13 Sportscene: football; boxing: highlights of last night's fight between Frank Bruno and Juan Figueroa. 11.50 News and weather. Northern Ireland: 12.57pm-1.00 Northern Ireland News. 3.48-3.50 Northern Ireland News. 5.55 Scene *Around Six. 11.50 News and weather.* England: 5.55pm Regional news magazines. 11.55 Close.

S4C Starts: 2.00pm Beth, Sut, Pam, Pryd A Ble? 2.20 Ffalabalam. 2.35 Hyn O Fyd. 2.55 Interval. 3.15 Years Ahead. 4.00 Tom Keating on *Impressionism: Van Gogh.* 4.25 People's court. 4.55 Pictiwrs Bach. 5.00 Smyrffs. 5.30 Munsters. 6.00 Brookside. 6.30 Bewitched. 7.00 Newyddion Saith. 7.30 Y Filltir Sgwâr. 8.00 Gwraidd Y Gainc. 8.30 Y Byd Ar Bedwar. 9.00 Film: Ice Castles. Love story set on ice. 11.00 Sukiyaki and Chips. 11.55 Voices. 12.50am Closedown.

ANGLIA As London except: 1.20pm-1.30 News. 6.00-6.35 About Anglia. 11.40 Portrait of a Legend. 12.10am One Plus Two, Closedown.

REGIONAL TELEVISION VARIATIONS

TYNE TEES As London except: 1.20pm News. 1.25-1.30 Where the Jobs Are. 2.30-3.30 Mysteries of Edgar Wallace*. 6.00 News. 6.02 Crossroads. 6.25-7.00 Northern Life. 11.40 Newhart. 12.10am All You Need is Love, Closedown.

YORKSHIRE As London except: *1.20pm-1.30 News.* 5.15-5.45 Mr and Mrs. 6.00-6.35 Calendar. 11.40 Barney Miller. 12.10am Closedown.

HTV WEST As London except: 12.30pm-1.00 Vintage Quiz. 1.20-1.30 News. 2.30 Mysteries of *Edgar Wallace*. 3.30-4.00 *Young* Doctors. 6.00-6.35 News. 11.40 Two of Us. 12.10 Closedown.

HTV WALES As HTV West except: 6.00pm-6.35 Wales at Six.

TSW *As London except: 1.20pm-1.30* News. 5.15 Gus Honeybun. 5.20-5.45 Crossroads. 6.00 Today South West. 6.30-7.00 Scene South West. 11.40 Fights of the 70s. 12.35am Postscript, Closedown.

CENTRAL As London except: 12.30pm-1.00 Crown Court. 1.20 News 1.30 Three Little Words. 2.00 Miracles Take Longer. 2.30-3.30 We'll Meet Again 6.00 Crossroads 6.25-7.00 News 11.40 Great Fights of the 70s. 12.40am Closedown.

SCOTTISH As London except: 1.20pm News 3.30-4.00 Adventurer 5.10 Action Line 5.20-5.45 Crossroads 6.00 Scotland Today 6.30-7.00 Report 11.40 Late Call. 11.45 Newhart. 12.15am Closedown.

GRANADA *As London expect:* 1.20pm Granada Reports 1.30-2.00 Exchange Flags. 3.30-4.00 Young Doctors 6.05 Crossroads 6.30-7.00 Granada Reports. 11.40 Profiles in Rock: Kate Bush. 12.20am Closedown.

BORDER As London except: 1.20pm-1.30 News 3.30-4.00 Young Doctors. 6.00-6.35 Lookaround 11.40 Portrait of a Legend. 12.10am News. Closedown.

ULSTER As London except: 9.25am-9.30 Day Ahead 1.20pm-1.30 Lunchtime 3.30-4.00 Crazy World of Sport 6.00 Good Evening Ulster 11.40 News, Closedown.

GRAMPIAN As London except: 9.25am-9.30 First Thing 1.20pm-1.30 News 2.30 Love Boat 3.30-4.00 *Young Doctors* 6.00-6.35 North Tonight 11.40 Adventurer 12.00am News, Closedown.

TVS As London except 9.25am-9.30 Farming Brief 12.30pm-1.00 Crown Court 1.20 News 1.30 Afternoon Club 1.35 Home Rules 2.10 Country Practice 3.10 Newsbreak 3.20 Sons and Daughters 3.50-4.00 A Z 6.00-6.35 *Coast to Coast 11.40 Superstar Profile* 12.10am Company, Closedown.

CHANNEL As London except: 1.20pm-1.30 News. 5.15-5.45 Joe 90 6.00-6.35 Channel Report 10.34 Chance to Meet 10.44 Terror and the State 11.40 Fights of the *70s* 12.35am Closedown.

WHAT THE SYMBOLS MEAN. † Stereo ★Black and white (r) Repeat.

FREQUENCIES: Radio 1 MF 1053kHz/285m or 1089kHz/275m. Radio 2 MF 693kHz/433m or 909kHz/330m. Radio 1/2 VHF 88-91MHz. Radio 3 VHF 90-92.5MHz, MF 1215kHz/247m. Radio 4 LF 200kHz/1500m and VHF 92-95MHz. Greater London Area MF 720kHz/417m. LBC MF 1152kHz/261m, VHF 97.3MHz. Capital MF 1548kHz/194m, VHF 95.8MHz. BBC Radio London MF 1458kHz/206m and VHF 94.9MHz. World Service MF 648kHz/463m.

Entertainments

Kisses from the Chancellor – before the Budget





Mr Lawson kissing his wife yesterday as he left Downing Street and (right) with his daughter Emily, aged two.

Wives may have to testify

By Our Political Reporter

Wives will be obliged to give evidence against their husbands in child assault cases under proposals passed by the standing committee on the Police and Criminal Evidence Bill yesterday.

Proposals to make husbands or wives compellable witnesses for the prosecution in cases against their spouse for sexual or physical assault on children were approved with the support of two Labour MPs on the committee.

Mr David Mellor, Under Secretary at the Home Office, described the change as a substantial step forward in bring more child batterers to book. "The fact is that in many cases the only witness to the assault by a husband on the child will be the wife. Obliging her to give evidence for the prosecution is a major advance"

Print union to seek deal on new technology

By Barrie Clement, Labour Reporter

The National Graphical Association is to seek a "radical" deal on new technology with provincial newspapers.

A special meeting of the union's national council yesterday passed a resolution which could allow "single keyboarding" to be introduced in local newspapers.

It is a crucial policy decision which could allow journalists and advertising staff direct access to computers instead of all material being processed by operators belonging to the association.

The Newspaper Society, the employers' organization, has been striving for many years to persuade the NGA to accept the principle.

The proposals will be put to members of the NGA, the printing trade union Sogat '82 and the National Union of Journalists. Eventually it is hoped to present a package of proposals to the Newspaper Society.

The society has said that it will introduce non-union labour into provincial newspapers by the end of 1985 if "single keyboarding" is not accepted by the NGA. With 10½ months to go before the deadline expires in the so-called Project Breakthrough, the decision will be seen as a major initiative.

Details of the proposals will be announced on Friday. The union will then start its consultation process which it hopes will lead to a deal with the employers.

A senior official of the NGA said yesterday: "The proposals are quite radical." The official, however, would not divulge precisely what had been decided or what guarantees would be required in return for concessions.

Man charged with Maze official's murder

A man will face Belfast magistrates today charged with the murder of Mr William McConnell, aged 35, an assistant governor at the Maze prison, who was shot dead outside his home in east Belfast last week as he set off for work.

Bomb arrests

Three people will appear in court in Manchester today charged with causing explosions in the city at the weekend with intent to endanger life. In London, Alilel Giahour, a Libyan businessman, will face charges of conspiring to cause explosions

Gun charge

Rudolf Walker Cooke, aged 34, of no fixed address, was remanded in custody for six days by magistrates at Arundel, West Sussex, charged with possessing a Luger pistol with intent to endanger life.

Coal board takes legal action over pickets

Continued from page 1

power stations in East Anglia and the South during the strikes of 1972 and 1974, have moved en masse in coaches to "picket out" Nottinghamshire colliers.

Men at Harworth pit, who had voted to cross the picket line in a military-style column, backed down when their plan was leaked and "hundreds" of pickets were threatened. Pitmen from the striking coalfield also travelled to Lancashire to spread the dispute there.

The Harworth men decided not to go back to work for fear of violence, after fighting flared on the picket line two nights ago when 300 Yorkshire miners confronted the night shift. About 200 peaceful pickets stopped the 1,400-man Bevercotes colliery near Retford. The pickets are thought to be using Citizen Band radios to coordinate their campaign.

Mr Henry Richardson, the union's area secretary, a left-wing supporter of the battle to halt pit closures, last night appealed once again for an end to the incursions. "You cannot win a long strike battle if you havn't got the men with you. You cannot force them out", he said. The "mass blockade" tactic would be counter-productive. "Our lads will not take kindly to people telling them what to do."

An electrician at the Harworth pit said: "They will not be satisfied until a Yorkshire miner kills a Nottinghamshire miner, and that will happen here." most of the 500 men from the colliery voted to go in, but they decided not to "because we fear for our safety and the safety of our families in the village".

The coal board said last night that 101 pits employing 105,000 men were idle, but an estimated 15,000 miners had been "picketed out" after turning up for work.

Philip Howard in the Commons

A show of oomph by the Head Boy

Speech Day at Westminster is one of our great national institutions. As is the case with most of our great national institutions, this means that its attractions can be somewhat opaque to the disinterested observer.

A visitor from outer space might well be puzzled by the excitement generated by a short, stocky, swarthy man talking in economic jargon for an hour and 20 minutes about taking comparatively small amounts of money from one group of citizens in order to give it back to them in a different form. It can be as boring as a pound of potatoes and Budget speeches have been made with a delivery that made Freddy Forsyth sound like a shopping list.

It was not quite like that yesterday. The Chancellor had some radical things to say and he delivered them with the oomph of an old pro. At the beginning he told the class what he was going to say. Then he told them. Then he told them what he had said and sat down, a lot sooner than some of his predecessors who have been as long-winded as the monsoon.

Much of the secret of the attraction is, of course, in the great British tradition. This is the annual ritual once performed by Pitt and Gladstone, by Winston Churchill and Lloyd George, and let us say nothing of the young Plantagenet Palliser and Geoffrey Howe.

This is the occasion when newspapers go bananas with tables demonstrating that a married man with a mortgage and two children is so little better off that he could have earned more money in the time spent working out the tables.

The tradition of annual Speech Day was fully observed yesterday. As usual the Head Mistress gave a brisk and inspiriting address to the school at Prime Minister's question time, which has been much spoiled by the abuse of open questions.

Then it was the turn of the Head Boy to make the main speech. He had a rousing intro and tribute to the traditions of the school over the past five years. As traditional, his fag, or wife, watched proceedings from the gallery.

As always on Speech Day the faces of other prefects on the front bench who thought that they could be doing bett[illegible] were a traditional pictu[illegible] Notably yesterday the Kee[illegible] of Guns, who had bee[illegible] answering Defence question[illegible] earlier, and the retired Captai[illegible] of Boats just below t[illegible] gangway smiled wintry smile[illegible] at the Chancellor's triumph[illegible] the sort of smiles with which[illegible] money is cheerfully refunded.

As usual the little guns a[illegible] the back were over-excited and rowdy. The loudest chee[illegible] and waving of order paper[illegible] from the Head Mistress' house came when the Head Boy announced the abolition of the National Insurance Surcharge. Yes, dear Man from Mars, the school house always wave order papers o[illegible] Speech Day. The boys from the opposite side made rude Scrooge-like gestures, rubbing thumbs and forefingers together. This, too, [illegible] traditional.

The Head Boy had his little jokes. When the Outsiders' House were jeering at him [illegible] a new piece of jargon called M[illegible] Nought, and now being taught in the economics scholarship sixth form, he told them: "Be quiet; you have a lot to learn."

He told the school that foreign earnings relief would not be withdrawn from those boys who spend 365 days a year abroad, or more. And he led the rotters opposite right up the garden path about excise duty on ginger pop at the tuck shop. This was the most difficult decision he had had to take, he said, mournfully. EEC rules about British undertaxation of beer in relation to wine. "Aha" shouted the Outsiders, sensing that the Chancellor was about to hit the ordinary voter where it hurts most: in the tuck shop.

When the Head Boy let out that the increase was to be only 2p on a typical pint of pop, collapse of stout parties. Speaking of which, I doubt whether it is wise for the Head Boy to say continually and with such Billy Bunter relish: "Consumption will continue to grow." He should cut out doughnuts, and stick to salad.

After the speech, the Leader of Opposition House made his traditional vote of thanks. He did it with felicity self depreciation and much waffle. His only point of substance was that the Budget did more for City of London House than it did for the school as a whole. It was the Head Boy's day, and as Speech Days go, a notable triumph.

THE TIMES INFORMATION SERVICE

Today's events

Royal engagements

The Duke of Edinburgh, President of the Royal Society of Arts, presents the Society's Pollution Abatement Technology Awards at the Society's House, John Adam Street, WC2, 10.45.

The Prince of Wales, President, the Royal Naval Film Corporation attends the annual geneal meeting on board HMS President, King's Reach, 11.30.

Princess Anne opens the Women's Royal Voluntary Service Handicraft Exhibition to be held in the Shire Hall, Gloucester, 10; and later, as Chancellor of the University of London, attends a Presentation Ceremony at the Royal Albert Hall, 2.

Princess Anne attends an Ecumenical Service at Westminster Abbey, 5.55.

The Duchess of Gloucester, Commandant, in-Chief, St John's Ambulance in Wales, opens St John's Ambulance Museum, St John's Gate, London, 5.

Princess Alice, Duchess of Gloucester visits Broughton House, Home for the Disabled Ex-Servicemen and the Salford Community Housing Association, 12; and later visits Ramsden Fold Development, Salford, Greater Manchester, 2.25.

The Duchess of Kent attends a Gala Fashion Presentation of "Window on Hongkong" in the Georgian Restaurant, Harrods, Knightsbridge, SW1, 8.10. (Brompton Road entrance).

Princess Michael of Kent attends Breast Cancer Research Trust Charity Evening, as Patron of the Trust, at the Lakeside Country Club, Frimley Green, Camberley, Surrey, 8.15.

Music

Concert by the Flieder Trio of Vienna, Town Hall, Rhyl, Clwyd, 7.30.

Organ recital by Allan Wicks, Town Hall, Reading, 7.45.

Concert by the Northern Sinfonia, Newcastle City Hall, Newcastle upon Tyne, 7.45.

British Music Week: Concert by the Alberni String Quartet and the English String Quartets, Chapel, University of Keele, Keele, Staffs, 8.

Concert by the City of Birmingham Symphony Orchestra, Derby Assembly Rooms, Derby, 7.30.

Concert by the Bournemouth Symphony Orchestra, Colston Hall, Colston Street, Bristol, 7.30.

Concert by the choirs of St Albans School and St Albans High School, St Albans Abbey, Herts, 7.30.

Monteverdi Vespers performed by Monteverdi Choir, English Baroque Soloists and Kings College choristers, Kings College Chapel, Cambridge, 7.30.

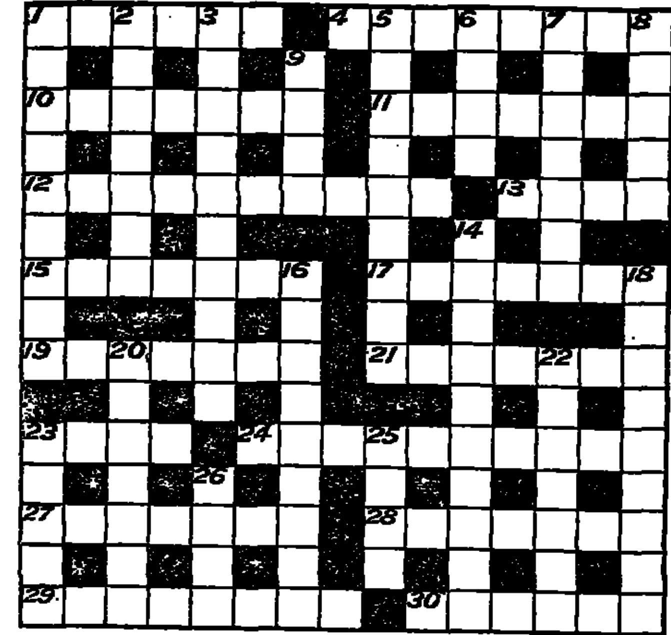
Dvorak's Requiem Mass performed by the Combined Choral Societies of St Albans School and St Albans High School with the Hatfield Philharmonic Orchestra, St Albans Abbey, 7.30.

Talks, lectures

The Humour of Gerard Hoffnung by Mrs Annetta Hoffnung, Westminster College, North Hinksey, Oxford, 8.

Conservation – protecting the evidence, Royal Scottish Museum, Chambers Street, Edinburgh, 2.

The Times Crossword Puzzle No 16,378



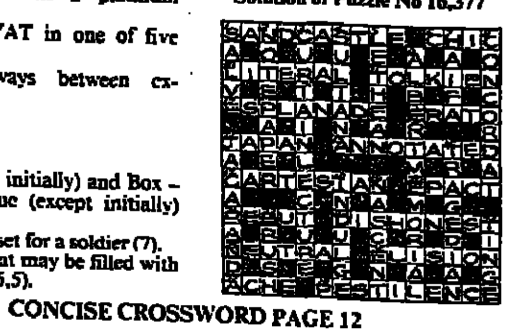
ACROSS

1 Error mars Paul's point (6).
4 Search for a particle of doubt (8).
10 Dog? Beat it soundly (7).
11 Measures about exercise are plain in Siberia (7).
12 Makes new order to raise lines (10).
13 Supplicate out loud for victim (4).
15 Flower that becomes animal when put to sea (7).
17 Man with instrument lacks one other instrument (7).
19 River's found in another's disclosures (7).
21 Perhaps we take the blame wrongly in Nathan's parable (3,4).
23 One way to decide what may be taken from a horse (4).
24 Didn't ham it up in duet with dancer perhaps (10).
27 Letter from Greece opposing drink (7).
28 It's hard – like a platinum blonde? (7).
29 Delay on VAT in one of five towns (8).
30 River's always between extremes (6).

DOWN

1 Cox (except initially) and Box – like this clue (except initially) (5,4).
2 Trap I've reset for a soldier (7).
3 Chamber that may be filled with wild arum (5,5).
5 Uncover French and English articles including a lady (9).
6 Sexcentenarian from the southern border (4).
7 One Greek city is in Turkey (7).
8 Objectionable refuse in the street? On the contrary (5).
9 Enthusiastic rise in surprise (4).
14 Mood upsets irate VIP and me (10).
16 14 has most of Italy confused by German town (9).
18 Order flowers on island for parliamentary commissioner (9).
20 "Give me that man That is not —'s slave (*Hamlet*) (7).
22 Like the Colossus at Rhodes was said to be (as tested) (7).
23 Understood Alderney, eg, to be in dry condition (5).
25 Some caper in Old Ireland (4).
26 Derogatory remark heard from this one (4).

Solution of Puzzle No 16,377



CONCISE CROSSWORD PAGE 12

Parliament today

Commons (2.30): Continuation of the Budget debate.
Lords (2.30): Debate on higher and further education.

Gardens open

BY APPOINTMENT

Cornwall: Chyverton, Zelah, N of Truro, ¼m SW of Zelah on A30 (Mr and Mrs N T Holman, Tel: Zelah 324), weekdays only March, April and May: large collection of trees and shrubs, some rare. Gloucestershire: Yew Tree Cottage, Ampney St Mary, medium-sized garden, spring bulbs, alpines, rock plants and troughs, many interesting plants, good selection for sale; every Wednesday throughout the year, also by appointment (tel: Mrs B Shuker and Miss P Strange on Poulton 333. Norfolk: Bramley Cottage, Stanhoe Kings Lynn (04858) 225; plants man's garden, ¾ acre over 2,000 species of plants; unusual plants for sale. Wiltshire: Kelloways, 3 miles N of Chippenham off A420 Swindon Rd right through Langley Burrell, to Sutton Benger and to Typherton and Calne (Mrs D Hoskyn, Tel: Kelloways (024974) 203; 2 acres, walled garden, shurbs rock garden, many unusual plants.

New books – hardback

The Literary Editor's selection of interesting books published this week:
Jonathan Swift, Political Writer, by J. A. Downie (Routledge & Kegan Paul, £15)
Record of a Life, an Autobiography, by Georg Inkács (verse, £15, paperback £4.95)
Speak for Yourself, A Mass-Observation Anthology 1937-49, by Angus Calder and Dorothy Sheridan (Cape, £12.50)
The Bourgeois Experience, Victoria to Freud, Volume 1, Education of the Senses, by Peter Gay (Oxford, £18.50)
The Common People, A History from the Norman Conquest to the present, by J. F. C. Harrison (Crown Helm, £12.95 paperback, Flamingo, £3.95)
The Indianazation of English, the English Language in India, by Braj B. Kachru (Oxford, £12)
The Land and Literature of England, a Historical Account, by Robert M. Adams (Norton, £21)
The Root of Treason, Ezra Pound and the Secrets of St Elizabeth's, by E. Fuller Torrey (Sidgwick & Jackson, £12.95, paperback £8.95)
The Travels of Marco Polo, a modern translation, by Theresa Waugh (Sidgwick & Jackson, £12.95)
Wars and Rumours of War, a memoir, by James Marshall-Cornwall (Leo Cooper, Secker & Warburg, £12.95)
PH

The papers

The treaties that South Africa is about to sign with Mozambique and Angola may amount to President Reagan's Administration's greatest diplomatic achievement, the **Washington Post** said.

It noted that the non-aggression pact which South Africa was about to sign with the Soviet-supported regime in Mozambique "is a first and giant breach of the barrier that the African 'Front Line' states, with all of black Africa formally behind them, had tried to construct against the Apartheid regime." It added that for the Marxist, Soviet-supported regime in Mozambique, "it is a political humiliation accepted to keep the nation alive."

Anniversaries

Births: **Johann Strauss** (the elder), Vienna, 1804; **Sir Thomas Lauder Brunton**, physician, Hiltonshill, Roxburgh, 1834; **Paul Ehrlich**, Medical scientist, Strohlen, Silesia, (Strzelin, Poland), 1854; **Albert Einstein**, physicist, Nobel laureate 1921, Ulm, Germany, 1879. Deaths: **Friedrich Klopstock**, poet, Hamburg, 1803; **Karl Marx**, London, 1883; **Walter Crane** painter and illustrator, Horsham, 1915; **George Eastman**, pioneer of photography, Rochester, New York, 1932.

The pound

	Bank Buys	Bank Sells
Australia $	1.58	1.50
Austria Sch	27.90	26.30
Belgium Fr	82.25	78.25
Canada $	1.90	1.83
Denmark Kr	14.37	13.67
Finland Mkk	8.52	8.12
France Fr	11.99	11.49
Germany DM	3.91	3.73
Greece Dr	161.00	151.00
Hongkong $	11.72	11.12
Ireland Pt	1.28	1.22
Italy Lira	2415.00	2315.00
Japan Yen	340.00	324.00
Netherlands Gld	4.43	4.21
Norway Kr	11.40	10.80
Portugal Esc	197.00	187.00
South Africa Rd	1.94	1.80
Spain Pta	220.50	211.50
Sweden Kr	11.74	11.14
Switzerland Fr	3.24	3.07
USA $	1.50	1.45
Yugoslavia Dnr	197.00	187.00

Rates for small denomination bank notes only, as supplied by Barclays Bank International Ltd. Different rates apply to travellers' cheques and other foreign currency business.

Retail Price Index: 342.6.
London: The *FT* index closed 20.9 up at 8765.0, a record.

Roads

London and South-east: A1: Southbound carriageway reduced in Holloway Road at junction with Tufnell Park Road. A24: Southbound carriageway reduced to one lane on south side of Clapham Common. Northbound bore of Blackwall Tunnel closed from 11 am to 12 mid-day for maintenance; two-way traffic in southbound bore.

Wales and West: A377: Temporary traffic lights on Exeter-Barnstaple road, Devon in Bonhay Road, Exeter. **A384/A385:** Single-lane traffic on Totnes-Buckfast road at Shinners Bridge, Dartington, Devon: temporary traffic signals. **A470:** North and southbound carriageway lane closure, south of Pontypridd, mid-Glamorgan at junction 32 (M4) Merthyr Tydfill; temporary traffic signals working hours only.

Midlands: A49: Single lane traffic on Shrewsbury-Ludlow road a Marshbrook; temporary signals. **A427:** Traffic signals on Market Harborough-Lutterworth road at Lubenham. **A34:** Delay possible in Guild Street, Stratford.

North: A689: Temporary lights at Cowshill Bridge, co Durham. **A68:** Roadworks at Elishaw, 8 miles north-east of Bellingham, Northumberland. **A167:** Road closed due to remedial bridge work in Merrington Lane (B6287) at Ferryhill, co Durham.

Scotland: A96: One lane traffic in North Street, Iverurie, Aberdeenshire. **M74/M73:** Intermittent lane closures at junction 6/1 on slip roads to and from the M73. **A737:** Outside lane closed on both carriageways at Ferguslie, east of Fulbar Road, Paisley, Renfrewshire.

Information supplied by AA.

Voluntary convention

This year's convention of the National Council for Voluntary Organizations will take place on April 5, 6 and 7 at Keele University, Keele, Staffordshire. It will consider four key topics: race, work, family and community art, and reviving communities. Speakers include: Mr Leon Brittan, Home Secretary; Malcolm Wicks, Director, the Family Policy Studies Centre; Michael Dower, Director, Dartington Institute: Clifton Robinson, Deputy Chairman, Commission for Racial Equality; and the Baroness Seear. Further information on (01) 636 0746 or (01) 636 4066.

Weather forecast

A large anticyclone to N of Scotland will move eastwards towards Sweden, maintaining a rather cold easterly airstream over United Kingdom.

6 am to midnight

London, SE, central S, SW, NW England, Channel Islands, S, N Wales, Lake District, Isle of Man, SW Scotland, Argyll, Northern Ireland: Rather cloudy with isolated light showers but some sunny intervals; wind E moderate; max temp 6C to 8C (43-46F).

East Anglia, E, W Midlands, E, central N, NE England, Borders, Edinburgh, Dundee, Aberdeen, Glasgow central Highlands: Mainly cloudy, a little rain or sleet in places, a few bright intervals; wind E moderate or fresh, max temp 5C or 6C (41-43F).

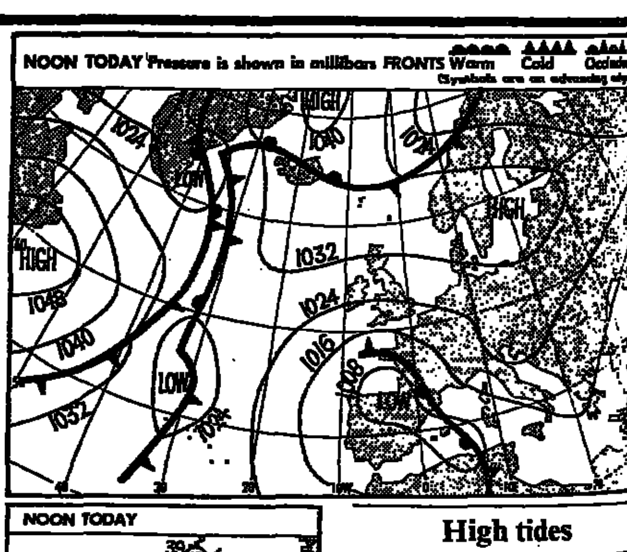
Moray Firth, NE, NW Scotland, Orkney, Shetland: Mainly dry with sunny intervals; wind E light; 6C to 8C (43F-46F).

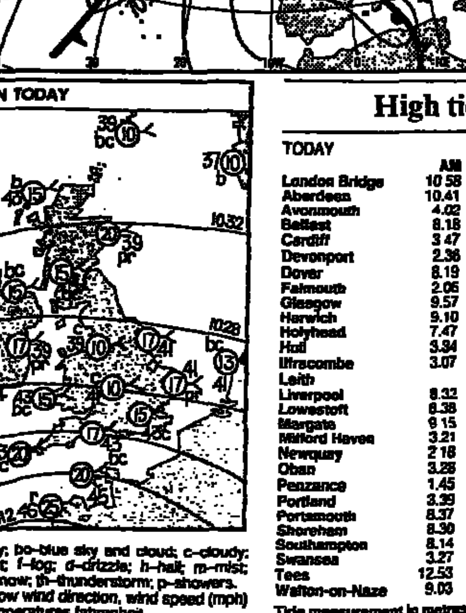
Outlook for tomorrow and Friday Generally similar, with perhaps longer outbreaks of rain or sleet in SE.

SEA PASSAGES: **North Sea, Straits of Dover, (E)** Fresh locally strong; sea moderate or rough. **English Channel (E)** Strong or gale, showers; sea rough or very rough. **St George's Channel, Irish Sea (NE)** Fresh or strong; sea moderate or rough.

Sun rises: 6.17am	Sun sets: 6.04pm
Moon sets: 5.24 am	Moon rises: 1.47 pm

Full Moon: March 17.





b–blue sky; bc–blue sky and cloud; c–cloudy; o–overcast; f–fog; d–drizzle; h–hail; m–mist; r–rain; s–snow; th–thunderstorm; p–showers. Arrows show wind direction, wind speed (mph) circled. temperatures fahrenheit.

Lighting-up time

London 6.34 pm to 5.45 am
Bristol 6.44 pm to 5.54 am
Edinburgh 6.45 pm to 5.58 am
Manchester 6.42 pm to 5.53 am
Penzance 6.56 pm to 6.06 am

Yesterday

Temperatures at midday yesterday: c, cloud; f, fair; r, rain; s, sun; sn snow

		C	F			C	F
Belfast	f	5	41	Guernsey	f	5	41
Birmingham	sl	2	35	Inverness	f	5	41
Blackpool	c	5	41	Jersey	c	5	41
Bristol	c	5	41	London	c	5	41
Cardiff	c	4	39	Manchester	c	5	41
Edinburgh	r	3	37	Newcastle	dr	4	39
Glasgow	c	4	39	Ronaldsway	c	6	43

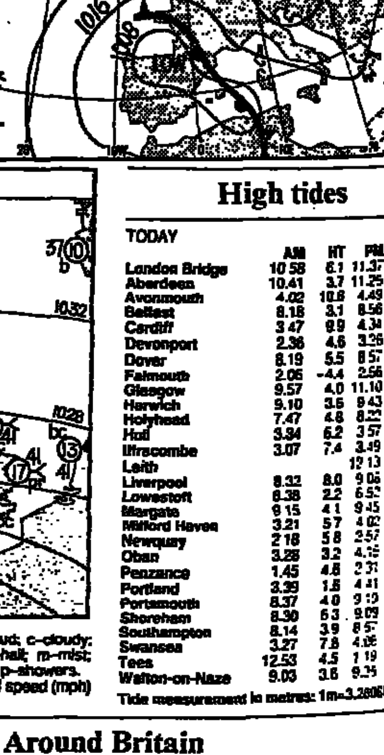
London

Yesterday: Temp: max 6am to 6pm, 7C (45F); min 6pm to 6am, 3C (37F). Humidity: 6pm, 64 per cent. Rain: 24hr to 6pm, trace. Sun: 24hr to 6pm, 0.4hr. Bar, mean sea level: 6pm, 1,022.1 millibars, rising. 1,000 millibars = 29.53 in.

Highest and lowest

Yesterday: Highest day temp: Penzance, Gwennap Head, 8C (46F); lowest day max: Nottingham 3C (37F); highest rainfall: Orsay, 0.32in; highest sunshine: Stornoway 8.2hr.

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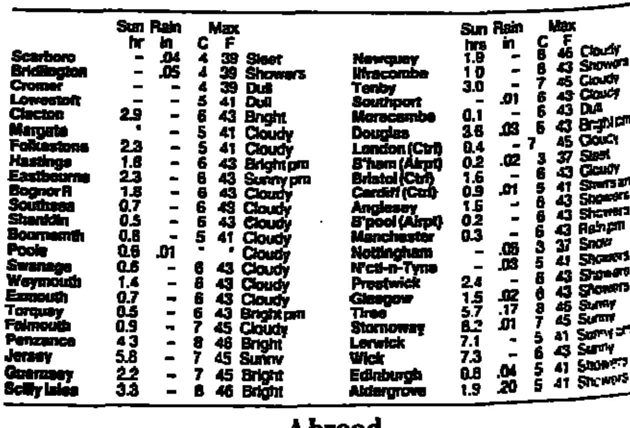


High tides

TODAY

	AM	HT	PM
London Bridge	10.58	6.1	11.37
Aberdeen	10.41	3.7	11.25
Avonmouth	4.02	10.8	4.49
Belfast	8.18	3.1	8.56
Cardiff	3.47	9.9	4.34
Devonport	2.36	4.6	3.26
Dover	8.19	5.5	8.57
Falmouth	2.06	4.4	2.56
Glasgow	9.57	4.0	11.10
Harwich	9.10	3.6	9.43
Holyhead	7.47	4.8	8.22
Hull	3.34	6.2	3.57
Ilfracombe	3.07	7.4	3.49
Leith			12.13
Liverpool	8.32	8.0	9.06
Lowestoft	6.38	2.2	6.52
Margate	9.15	4.1	9.45
Milford Haven	3.21	5.7	4.02
Newquay	2.18	5.8	2.57
Oban	3.28	3.2	4.15
Penzance	1.45	4.8	2.31
Portland	3.39	1.8	4.41
Portsmouth	8.37	4.0	9.19
Shoreham	8.30	6.3	9.09
Southampton	8.14	3.9	8.57
Swansea	3.27	7.8	4.08
Tees	12.53	4.5	1.19
Walton-on-Naze	9.03	3.6	9.35

Tide measurement in metres: 1m=3.2808ft.



Around Britain

	Sun hr	Rain in	Max C	Max F			Sun hrs	Rain in	Max C	Max F	
Scarboro	–	.04	4	39	Sleet	Newquay	1.9	–	8	46	Cloudy
Bridlington	–	.05	4	39	Showers	Ilfracombe	1.0	–	6	43	Showers
Cromer	–	–	4	39	Dull	Tenby	3.0	–	7	45	Cloudy
Lowestoft	–	–	5	41	Dull	Southport	–	.01	6	43	Cloudy
Clacton	2.9	–	6	43	Bright	Morecambe	0.1	–	6	43	Dull
Margate	•	–	5	41	Cloudy	Douglas	3.6	.03	6	43	Bright pm
Folkestone	2.3	–	5	41	Cloudy	London (Ctrl)	0.4	–	7	45	Cloudy
Hastings	1.8	–	6	43	Bright pm	B'ham (Airpt)	0.2	.02	3	37	Sleet
Eastbourne	2.3	–	6	43	Sunny pm	Bristol (Ctrl)	1.6	–	6	43	Cloudy
Bognor R	1.8	–	6	43	Cloudy	Cardiff (Ctrl)	0.9	.01	5	41	Showers pm
Southsea	0.7	–	6	43	Cloudy	Anglesey	1.5	–	6	43	Showers
Shanklin	0.5	–	5	43	Cloudy	B'pool (Airpt)	0.2	–	6	43	Showers
Bournemouth	0.8	–	5	41	Cloudy	Manchester	0.3	–	6	43	Rain pm
Poole	0.6	.01	•	•	Cloudy	Nottingham	–	.05	3	37	Snow
Swanage	0.6	–	6	43	Cloudy	N'cstl-n-Tyne	–	.03	5	41	Showers
Weymouth	1.4	–	6	43	Cloudy	Prestwick	2.4	–	6	43	Showers
Exmouth	0.7	–	6	43	Cloudy	Glasgow	1.5	.02	6	43	Showers
Torquay	0.5	–	6	43	Bright pm	Tiree	5.7	.17	8	46	Sunny
Falmouth	0.9	–	7	45	Cloudy	Stornoway	8.2	.01	7	45	Sunny
Penzance	4.3	–	8	46	Bright	Lerwick	7.1	–	5	41	Sunny pm
Jersey	5.8	–	7	45	Sunny	Wick	7.3	–	6	43	Sunny
Guernsey	2.2	–	7	45	Bright	Edinburgh	0.8	.04	5	41	Showers
Scilly Isles	3.3	–	8	46	Bright	Aldergrove	1.9	.20	5	41	Showers

Abroad

MIDDAY: c, cloud; f, fair; fg, fog; r, rain; s, sun; sn, snow.

		C	F			C	F			C	F			C	F
Ajaccio	s	14	57	Copenhgn				Majorca	c	13	55	Rio de Jan*	[illegible]	[illegible]	[illegible]
Akrotiri	c	18	6	Corfu	f	12	54	Malaga	r	9	48	Rome	[illegible]	[illegible]	[illegible]
Alexandria	c	17	63	Dallas*	f	17	63	Malta	f	15	59	Salzburg	[illegible]	[illegible]	[illegible]
Algiers	s	13	55	Dublin	c	5	41	Melbourne	f	22	72	Sao Paulo*	[illegible]	[illegible]	[illegible]
Amsterdam	f	4	39	Dubrovnik	f	10	50	Mexico C*	s	23	73	S Francisco*	[illegible]	[illegible]	[illegible]
Athens	c	11	52	Faro	s	15	59	Miami*	f	26	79	Santiago*	[illegible]	[illegible]	[illegible]
Bahrain				Florence	s	12	54	Milan	s	9	48	Seoul	[illegible]	[illegible]	[illegible]
Barbados*	f	27	81	Frankfurt	f	6	43	Montreal*	s	-2	-4	Singapore	[illegible]	[illegible]	[illegible]
Barcelona	dr	11	52	Funchal	c	14	57	Moscow	c	1	34	Stockholm	[illegible]	[illegible]	[illegible]
Beirut	f	17	63	Geneva	s	5	41	Munich	s	2	36	Strasbourg	[illegible]	[illegible]	[illegible]
Belgrade	c	4	39	Gibraltar	f	13	55	Nairobi	f	29	84	Sydney	[illegible]	[illegible]	[illegible]
Berlin	s	6	43	Helsinki	s	3	37	Naples	f	12	54	Tangier	[illegible]	[illegible]	[illegible]
Bermuda*	s	21	70	Hongkong	c	22	72	New Delhi	s	28	82	Tel Aviv	[illegible]	[illegible]	[illegible]
Biarritz	s	15	59	Innsbruck	s	5	41	New York*	s	-5	21	Tenerife	[illegible]	[illegible]	[illegible]
Boulogne	c	3	37	Istanbul	c	3	37	Nice	s	12	54	Tokyo	[illegible]	[illegible]	[illegible]
Bordeaux	s	11	52	Jeddah	s	28	82	Oslo	s	2	36	Toronto*	[illegible]	[illegible]	[illegible]
Brussels	c	3	37	Jo'burg	f	24	75	Ottawa				Tunis	[illegible]	[illegible]	[illegible]
Budapest	f	8	46	Karachi	s	27	81	Paris	s	6	43	Valencia	[illegible]	[illegible]	[illegible]
Buenos Aires*	f	26	79	Las Palmas	c	17	63	Peking	c	5	41	Vancouver*	[illegible]	[illegible]	[illegible]
Cairo				Lisbon	f	10	50	Perth	s	22	72	Venice	[illegible]	[illegible]	[illegible]
Cape Tn	s	25	77	Locarno	c	9	48	Prague	f	1	34	Vienna	[illegible]	[illegible]	[illegible]
C'blanca	f	16	61	L Angeles*	f	18	64	Reykjavik	r	5	41	Warsaw	[illegible]	[illegible]	[illegible]
Chicago*	sn	-7	19	Luxembg	f	3	37	Rhodes	s	14	57	Washington*	[illegible]	[illegible]	[illegible]
Cologne	c	5	41	Madrid	f	10	50	Riyadh	s	28	82	Zurich	[illegible]	[illegible]	[illegible]

* denotes Monday's figures are latest available